



FISCAL YEAR 2018-19

42ND ANNUAL REPORT

**COMMEMORATING 40 YEARS OF
PARTNERSHIPS AND SOLUTIONS FOR A SUSTAINABLE FUTURE**

40-YEAR HISTORY OF SERVICE TO THE BASIN PARTIES

1970s

Conflicts over water threaten supply reliability, water quality, and the regional economy.

1973

A pump tax is enacted to raise money for studies that aid in implementing recharge programs in the Basin.

1978

Chino Basin is adjudicated and Watermaster is created. Planning and funding are initiated to manage the Basin.

1999

Optimum Basin Management Program provides a detailed blueprint to ensure a reliable water supply and to protect and enhance water quality.

2000 & 2007

Peace (I) and Peace II Agreements make effective collaboration possible, resulting in hundreds of millions of dollars in cost savings and other benefits.

2004

Regional Water Quality Control Board (Regional Board) adopts unique Maximum Benefit Salinity Management Program, enabling implementation of a massive recycled water reuse, stormwater, and supplemental water recharge program, and expansion of groundwater desalting to achieve hydraulic control.

2008-2010

The Recharge Master Plan Update is developed as a critical step to ensure long-term water quality and supply.

2011

Safe Yield Reset process is initiated.

2013

The 2013 Amendment to the 2010 Recharge Master Plan Update is completed. This forms the foundation for cost-effectively recharging storm, imported, and recycled water with the goal of improving water quality and ensuring water supply reliability.

2016

Pumping at Chino Desalter Authority (CDA) desalter wells in the Chino Creek Well Field reaches the rate required to achieve hydraulic control. This protects the water quality of the Santa Ana River by intercepting and removing contaminants and enabling recycled water recharge in the Chino Basin.

2017-2018

CDA completes two new desalter wells and begins work to site a third. This increases capacity and hydraulic control as groundwater pumping decreases in the southern portion of the Basin.

January 2018 marks the 40th anniversary of the Chino Basin Judgment.



CELEBRATING THE PAST AND PREPARING FOR THE FUTURE



A Message from Chino Basin Watermaster

The commemoration of our fortieth year provides a good opportunity to take stock of where we are today as an organization.

To start, the Parties have deep experience engaging with each other, working out differences, and resolving the complex challenges that they jointly face. Watermaster is supported by a talented and committed staff that understands both their own work and how that work fits into the mission and priorities of the organization. We are fortunate to work with excellent and deeply committed consultants who have accumulated decades of special expertise in Chino Basin.

The Safe Yield process ended this year after eight years of concentrated technical and legal work. This is an important milestone that underpins sound basin management. This achievement required sophisticated technical work and intensive negotiations and collaboration among the Parties.

As we look to the future, Watermaster staff is excited to be engaging with the Parties in planning efforts that will shape the next 20 years, including the recently completed Storage Framework Investigation. Notably, staff and the Parties began work this year to update the Storage Management Plan and the Optimum Basin Management Program, both of which have served us for 20 years now and are ready for an update to meet the challenges of the coming decades.

The challenges we face are difficult and are not getting easier as climate change impacts water supplies, competition for water supplies increases statewide, costs continue to rise, regulations increase, and legacy water quality issues remain to be resolved. Nonetheless, we have successfully and cost-effectively managed this Basin through past challenges, and I remain confident that by working together we will continue to find joint success.

Peter Kavounas, PE
General Manager, Chino Basin Watermaster

PARTNERS IN BASIN MANAGEMENT

40TH ANNIVERSARY OF THE JUDGMENT



Following its first two decades managing the Basin, Watermaster developed the first Optimum Basin Management Program (OBMP). This document played a central role in guiding Watermaster for the last 20 years. During this fortieth anniversary year, Watermaster is updating the OBMP to help guide water management for the coming decades.

40th ANNIVERSARY EVENT

Chino Basin Watermaster commemorated the anniversary with a keynote lecture by Dr. William Blomquist, author of the celebrated book *Dividing the Waters*. The well-attended event also featured a panel of experts that included Jim Markman, one of the attorneys that worked on the Chino Basin adjudication; John Rossi, former CEO of Chino Basin Watermaster; Hope Smythe, executive director of the Santa Ana Regional Water Quality Control Board; and Ariel Dinar, distinguished professor of environmental economics and a renowned water economist.

DEVELOPING SOLUTIONS FOR A SUSTAINABLE FUTURE

Over time, Watermaster's understanding of the Basin has increased dramatically. Watermaster's Board, staff, and consultants know much more about the Basin today than when the OBMP and Storage Management Plan were first prepared. Over the years, Watermaster has developed:

- More advanced management, such as re-operation and maximum benefit.
- More facilities, such as the desalters and recharge basins.
- More sophisticated governance agreements, such as the Peace and Peace II Agreements.

UPDATING KEY STUDIES AND PLANS

The Safe Yield was reset, the Storage Framework Investigation was recently completed, and both the Storage Management Plan and OBMP are being updated after 20 years to serve the Basin for several decades to come.

BOARD REAPPOINTMENT

In 2015 the Watermaster Board was reappointed for a five-year term, providing certainty and stability in the governing structure.

OVER THE PAST 40 YEARS, THE CHINO BASIN HAS BECOME A LEADER IN INNOVATIVE GROUNDWATER MANAGEMENT AND AN EXAMPLE FOR OTHER BASINS ACROSS THE STATE OF COLLABORATION AND PARTNERSHIPS IN RESOLVING GROUNDWATER CHALLENGES.



The 40th anniversary event was well attended, provided an opportunity to visit with both past and present colleagues, and featured interesting speakers.

SAFE YIELD RECALCULATION COMPLETED

Establishing the Safe Yield is a necessary precondition for much of Watermaster's work, including updating the OBMP and Storage Management Plan. Following eight years of work, the Safe Yield reset was completed this year in time to support the updates of both plans.

SAFE YIELD IS...

the long-term average annual quantity of groundwater that can be produced from the Basin without causing an undesirable result.

THREE YEARS OF TECHNICAL WORK BEGAN IN 2011

The technical work to recalculate the Safe Yield began in 2011, and involved updating the hydrogeologic conceptual model of the Basin, updating the historical hydrology, updating and recalibrating numerical models that simulate the surface and groundwater hydrology of the Chino Basin area, and projecting the surface and groundwater response of the Basin to future management plans that included storage management.

SUCCESS FOLLOWING YEARS OF INTENSIVE ENGAGEMENT BY THE PARTIES

Following years of intensive negotiations, in March 2019 the Safe Yield was reset from 140,000 acre-feet to 135,000 acre-feet, and the Parties resolved how to account for the desalter water replenishment obligation.

WORK UNDERWAY ON 2020 SAFE YIELD RECALCULATION

Watermaster's consultant has begun the technical work necessary for the Safe Yield recalculation for 2020 as required by the OBMP Implementation Plan, which is due to the Court by June 30, 2020. This recalculation follows the April 28, 2019, court order methodology, and will incorporate the impacts of projected climate changes and land subsidence.

THIS FIRST SAFE YIELD RESET TOOK YEARS OF INTENSIVE NEGOTIATION AND WORK BY THE PARTIES. WATERMASTER WAS ENGAGED THROUGHOUT, CONDUCTING THE NECESSARY TECHNICAL WORK, SUPPORTING THE NEGOTIATIONS, AND PREPARING THE FINAL RESOLUTION FOR REVIEW AND APPROVAL BY THE JUDGE.

Outlet from Etiwanda Debris Basin.



PROGRESS ON STORAGE FRAMEWORK AND STORAGE MANAGEMENT PLAN

With the Storage Framework Investigation completed, Watermaster has initiated a process to update the OBMP Implementation Plan and its Storage Management Plan.

STORAGE FRAMEWORK INVESTIGATION COMPLETED

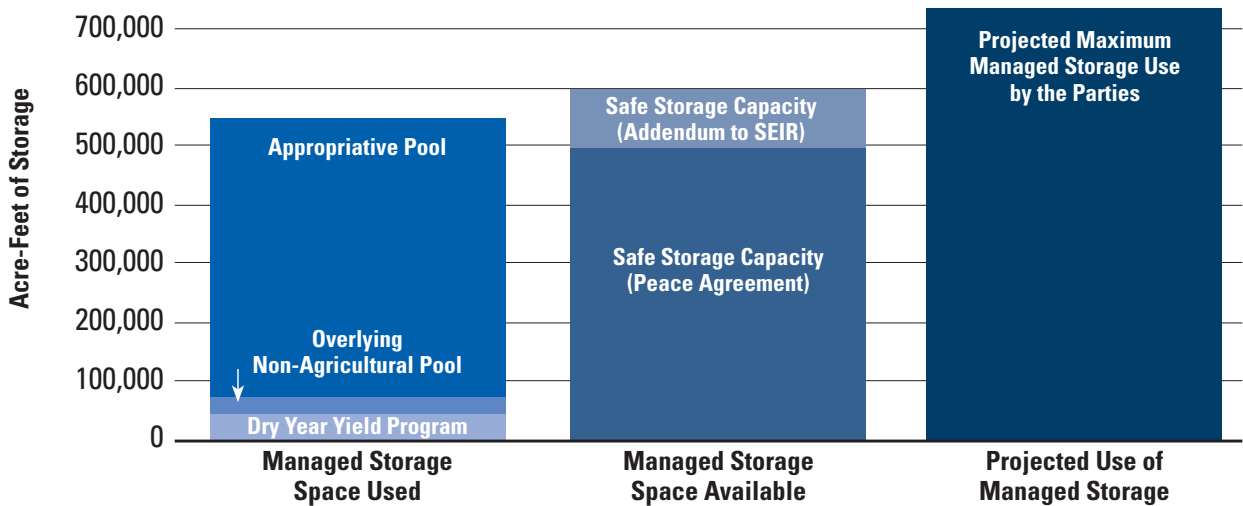
PROVIDES THE TOOLS AND INFORMATION NEEDED TO DEVELOP A STORAGE MANAGEMENT PLAN

Work on the Storage Framework Investigation began by asking the Parties to project the future groundwater pumping and storage needed to support their water supply plans in the coming decades. From this information, Watermaster determined how much storage space would be required by the Parties through 2056. Potential storage and recovery programs of increasing size and complexity were evaluated that would use storage space in excess of the Parties’ storage requirements. The impacts of the Parties’ use of storage and potential storage and recovery in the Basin were evaluated. The Storage Framework Investigation provided the tools and information needed to update the existing Storage Management Plan.

USE OF UP TO ONE MILLION ACRE-FEET OF STORAGE EVALUATED

The Storage Framework Investigation included input from eight workshops with the Parties and is based on the Parties’ projections and assumptions by Watermaster’s engineer. The investigation explored the use of up to one million acre-feet of water that could be stored and recovered, with the following results:

- 1. **Hydraulic control is projected to be maintained** through at least 2056.
- 2. **No new land subsidence** is projected to occur through at least 2056.
- 3. **Storage and recovery have the potential to impact contaminant plumes.** Mitigation will be addressed in the updated Storage Management Plan.
- 4. **Storage activities could impact net recharge and Safe Yield.** Any adverse impacts will be addressed in the updated Storage Management Plan.
- 5. **Storage activities could impact pumping sustainability.** This refers to the ability to pump water from a specific well at a desired pumping rate, given the groundwater level at that well. There are potential new pumping sustainability challenges for storage and recovery programs starting in 2036. Mitigation of these impacts will be addressed in the updated Storage Management Plan.



Comparison of managed storage space used, managed storage space available, and projected maximum use of managed storage by the Parties.

STORAGE MANAGEMENT PLAN INITIATED

With the Storage Framework Investigation complete, Watermaster began developing its Storage Management Plan in June 2019, with a scheduled completion during 2020.

IMPROVEMENTS IN BASIN KNOWLEDGE SINCE THE LAST STORAGE MANAGEMENT PLAN WAS DEVELOPED 20 YEARS AGO

The existing Storage Management Plan was developed in 1999 based on what was known at the time. Since then, our understanding of the Basin's hydrogeology has improved significantly, as have the analytical tools for characterizing the Basin's response to management activities. Groundwater levels and water quality have changed, and our understanding of them has significantly improved. Also, projected groundwater pumping and recharge have been updated, reflecting increased conservation and expected climate change adaptation. These changes and many others need to be included in the Storage Management Plan update:

- Variability in storage was previously not accounted for.
- The Safe Storage Capacity is larger than previously thought.
- Re-operation, which will reduce the amount of Basin water in storage by 400,000 acre-feet, was authorized after the existing Storage Management Plan was approved.
- The use of managed storage to meet future desalter and other replenishment obligations was not previously anticipated.

WHY THE STORAGE MANAGEMENT PLAN NEEDS TO BE UPDATED

Based on the planning information provided by the Parties in the Storage Framework Investigation, the Parties' use of managed storage was projected to reach the maximum of about 700,000 acre-feet in 2030, which is more than the current Safe Storage Capacity of 600,000 acre-feet for managed storage.

DRY YEAR YIELD (DYY) STORAGE AGREEMENT UPDATED

46,000 Acre-Feet Stored Currently. The DYY agreement allows Metropolitan Water District of Southern California (MWD) to store up to 100,000 acre-feet of water in the Basin. The wet winter helped make imported water available for recharge by both surface spreading and aquifer storage and recovery (ASR) injection; just over 4,700 acre-feet of water was recharged at the end of the fiscal year.

Updated Agreement Gives Parties More Control. An update to the agreement with MWD allows the Parties to voluntarily extract water from the DYY account rather than waiting for MWD to mandate the extraction. This update gives the Parties greater control and provides more opportunities to recharge imported water in the future.

Mutually Beneficial Program. Recharging high-quality imported water improves the water quality of the Basin. The imported water also helps to meet recharge obligations for areas of the Basin where subsidence is a concern. For MWD, the DYY program provides a place to store water in wet years, to be called on in dry years.

THE PROJECTED POST-2030 DECLINE IN THE PARTIES' USE OF MANAGED STORAGE CREATES AN OPPORTUNITY TO EXPAND THE SPACE AVAILABLE FOR STORAGE AND RECOVERY PROGRAMS THAT PROVIDE BROAD MUTUAL BENEFITS TO THE PARTIES AND THE BASIN. THE STORAGE MANAGEMENT PLAN WILL BE PERIODICALLY UPDATED TO IDENTIFY AND PURSUE THESE OPPORTUNITIES.

CONSTRUCTION OF RECHARGE MASTER PLAN PROJECTS CONTINUES

Progress continues on the recommended projects from the 2013 Amendment to the 2010 Recharge Master Plan Update (2013 RMPU), and the 2018 RMPU was completed.

2013 AMENDMENT TO THE 2010 RMPU

SAN SEVAINE BASIN AND VICTORIA BASIN IMPROVEMENTS COMPLETED

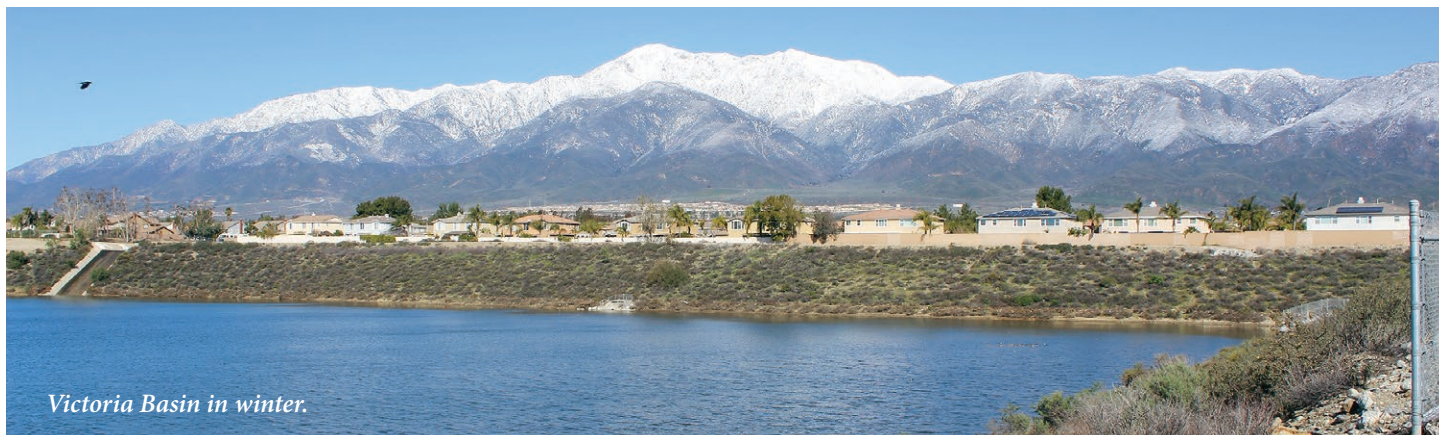
Watermaster and Inland Empire Utilities Agency (IEUA) continue to implement the 2013 Amendment to the 2010 Recharge Master Plan Update. To keep Watermaster stakeholders up to date on the recharge projects approved in the 2010 Update, the Recharge Improvements Projects Committee (RIPComm) met quarterly this year. The San Sevaire Basin and Victoria Basin improvements were also completed this year.



This year, two improvement projects were completed: the San Sevaire Basin and Victoria Basin projects.

DESIGN INITIATED ON FOUR ADDITIONAL 2013 RMPU RECHARGE PROJECTS

A consultant was selected to design four of the 2013 RMPU projects: CSI Basin, Wineville/Jurupa/RP3 Basins (23a Project), Montclair Basins, and Lower Day Basin. The 85% design plans and specifications were completed for all projects except the CSI Basin project, which was deferred for future consideration.



Victoria Basin in winter.

THIS FISCAL YEAR, IEUA, WITH WATERMASTER APPROVAL, RECHARGED 31,408 ACRE-FEET OF WATER

**12,861 acre-feet of
STORMWATER**

**11,146 acre-feet of
RECYCLED WATER**

**7,401 acre-feet of
IMPORTED WATER**

2018 RMPU COMPLETED

Watermaster is required to update the Recharge Master Plan at least every five years.

This cycle's update work began early in 2018 and was completed and filed with the Court in October.

SOME KEY CONCLUSIONS OF THE 2018 RMPU:

Watermaster has enough wet-water recharge capacity to meet its supplemental recharge obligations through 2050.

No new stormwater recharge projects are recommended for implementation.

No changes are recommended for the 6,500-acre-foot supplemental water recharge obligation in MZ-1 or the prioritization of supplemental water recharge locations and amounts.

The Municipal Separate Storm Sewer System (MS4) information collection program has been partially implemented.

RECHARGE CAPACITY EXCEEDS THE REQUIREMENTS FOR PROJECTED REPLENISHMENT AND RECHARGE OBLIGATIONS, AND PROVIDES THE CAPACITY TO ACCEPT LARGE AMOUNTS OF WATER DURING WET PERIODS TO MAKE UP FOR DECREASED RECHARGE IN DRY YEARS.

Rain clouds and a rainbow form over San Sevaine Basin.

COLLABORATING TO TACKLE SHARED CHALLENGES

Virtually every project, program, and action of Watermaster is undertaken with extensive input, advice, and assistance from the Parties and many other partners in the Basin and outside of it.

WATER QUALITY COLLOQUIUM ADDRESSES EMERGING CONTAMINANTS

In May 2019, Watermaster hosted a Water Quality Colloquium that brought together the Parties for a full day of learning about the issue of new and more stringent drinking water regulations that are evolving for emerging contaminants. This is also a key topic to be addressed in the 2020 OBMP Update. Speakers included representatives from the United States Environmental Protection Agency, water districts, laboratories, and environmental consultants.

A key topic of the colloquium was how to address drinking water maximum contaminant levels (MCLs) for perchlorate, hexavalent chromium, and 1,2,3-trichloropropane (TCP) which has recently forced Parties to shut down production at some wells. Potential regulations for emerging contaminants, such as per- and polyfluoroalkyl substances (PFAS), were also discussed. The colloquium looked at how other entities are approaching these issues, future treatment technologies, and the regulatory pathway to drinking water MCLs.

Attendees found the event helpful and supported the idea of future workshops. Some of the key insights and takeaways included:

- History has shown a common path for research, monitoring, and regulatory actions for emerging contaminants as each MCL is considered and established.
- Proactive assessment will position well owners for opportunities to pursue grants and other funding.
- Close coordination with laboratories, regulatory agencies, and neighboring Parties will be needed to address emerging contaminants.
- Depth-discrete data from wells can open pathways to more cost-effective solutions to address contamination.
- Well owners should stay engaged with regulatory agencies during the MCL development process.



Participants in the Water Quality Colloquium.

ROBUST HABITAT MONITORING CONTINUES AT PRADO BASIN

The Prado Basin Habitat Sustainability Program (PBHSP) is a joint effort of Watermaster and IEUA in coordination with Orange County Water District as part of a California Environmental Quality Act (CEQA) mitigation measure. The PBHSP is required to ensure that implementation of the Peace II Agreement does not cause adverse impacts to the riparian habitat in the area.

The PBHSP includes the integrated monitoring and analysis of the riparian habitat and other factors that could potentially impact the riparian habitat, including those factors related to Peace II activities, such as decreasing groundwater levels.

This year, Watermaster and the IEUA coordinated with the Orange County Water District to contract a flight to collect a high-resolution aerial photo of the Prado Basin. Other data collection efforts included:

- Performed groundwater and surface water monitoring.
- Collected surface water quality and daily discharge data for treatment plans and streamgage locations tributary to Prado Basin.
- Collected climatic data near Prado Basin.
- Collected remote-sensing satellite data on the riparian habitat health and extent.

NO TREND IN DEGRADATION OF RIPARIAN HABITAT DUE TO PEACE II IMPLEMENTATION

The main conclusion of the annual report for 2018 was that there are noticeable declines in the greenness of the riparian vegetation in some areas over the last one to three years, but groundwater levels across the study area have remained stable and are not the cause of the declines. As a result, no mitigation measures were proposed.

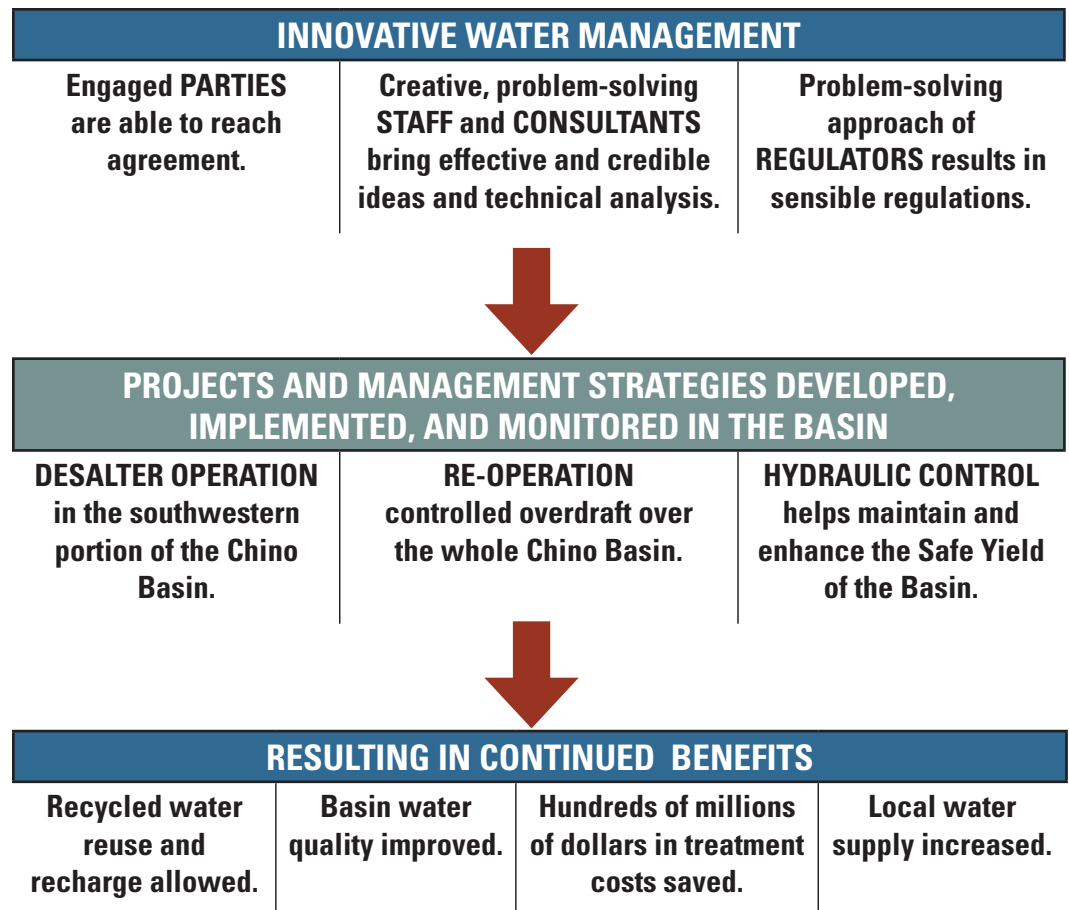
Watermaster carries out a variety of groundwater monitoring programs, and collaborates with the Regional Water Quality Control Board and others to protect and improve water quality.



SOPHISTICATED MANAGEMENT AND GOVERNANCE PROGRAMS BENEFIT THE BASIN

The Chino Basin benefits from a unique set of governance, regulatory, management, and monitoring programs that result in substantial water supply, water quality, and cost-saving benefits for the Basin and the Parties.

IMPLEMENTATION OF THE MAXIMUM BENEFIT SALINITY MANAGEMENT PROGRAM CONTINUES TO PROVIDE BENEFITS



WORK CONTINUES TO AVOID THE COST OF IMPLEMENTING RECYCLED WATER QUALITY IMPROVEMENTS FOR SHORT-TERM COMPLIANCE CHALLENGES DURING DROUGHT

Watermaster and IEUA are continuing the studies needed for the Regional Board to consider modifying the total dissolved solids (TDS) compliance metric for recycled water to a longer-term averaging period. This modification would avoid short-term threshold exceedances during drought caused by the increase in the TDS concentration of imported water supplies and increase of the TDS waste increment from indoor water conservation. Such a change would help reduce the requirement to implement recycled water quality improvement projects for the very short-term exceedances of the compliance metric during the next drought.

Watermaster and the IEUA began the salinity investigation in September 2017, with subsequent workshops held in December 2018 and September 2019. A schedule to complete the technical work and a Basin Plan amendment will be determined with the Regional Board.

COMPLETED CHINO BASIN MAXIMUM BENEFIT ANNUAL REPORT

Completion of this joint report of Watermaster and the IEUA is part of one of the maximum benefit commitments made by Watermaster and IEUA. It describes the status of compliance with each commitment and the work performed during 2018.

EXTENSIVE MONITORING PROGRAMS SUPPORT ALL WATER MANAGEMENT AND REGULATORY PROGRAMS

SURFACE WATER MONITORING at 35 locations. Surface water is monitored as it is delivered to recharge basins. Monitoring at in-stream sites also helps to characterize interactions with groundwater along the Santa Ana River.

GROUNDWATER LEVEL MONITORING at 1,200 wells. Wells are monitored to track groundwater levels across the Chino Basin.

GROUND-LEVEL MONITORING at 190 sites. The data are used to assess the effectiveness of management programs and to prevent future subsidence and fissuring.

GROUNDWATER PRODUCTION MONITORING at 497 wells. Nearly all active groundwater production wells are metered to measure groundwater production.

GROUNDWATER QUALITY MONITORING at 910 wells. Water quality is measured at private and monitoring wells, and water quality data are collected from well owners performing their own sampling.

GROUNDWATER RECHARGE MONITORING, with 365 samples taken. Recharge volumes are measured and recorded, stormwater quality samples are collected, and sampling wells downgradient of the basins are tested.

PRADO BASIN HABITAT SUSTAINABILITY MONITORING DATA that extends back 90 years. Current and historical data include aerial photos dating back to the 1930s.

BUSY YEAR FOR GROUND- LEVEL MONITORING COMMITTEE

This was a busy year for the Ground-Level Monitoring Program (GLMP). Watermaster prepared the 2018 Annual Report, which included the results of the monitoring program, interpretations of the data, recommendations for the following fiscal year, and recommendations for adjustments to the Subsidence Management Plan. This year, Watermaster also continued to test the sonar water level measuring technique for the GLMP. Finally, construction of the \$1.5 million Pomona extensometer began in January. The extensometer will aid the analysis and understanding of how the groundwater affects ground level changes in the northwest portion of the Basin where gradual changes in level have been observed.

IMPORTANT CHANGE IN EXHIBIT “G” WATER SALES PROCESS

Beginning in 2013, in response to the discontinuation of MWD’s replenishment rate, the Non-Agricultural Pool members have had to annually negotiate a sale price with the Appropriate Pool in order to follow the Exhibit “G” process. In late 2018, the Non-Agricultural Pool filed a motion with the Court to amend its Pooling Plan to gain the ability to establish its own price for Exhibit “G” transactions, eliminating the need to negotiate. The Court approved the amendment in its March 15, 2018, Order.

WATERMASTER GOVERNANCE AND MEMBERSHIP – CALENDAR YEAR 2019

Watermaster Board

Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Jeff Pierson , Chair	Crops
Alternate: Ron Pietersma	Dairy
Paul Hofer	Crops
Alternate: Robert Feenstra	Dairy

Non-Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Bob Bowcock	CalMat Co.
Alternate: Brian Geye	California Speedway Corporation

Appropriative Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Eunice Ulloa	City of Chino
Alternate: Tom Haughey	
Darron Poulsen (Jan - Nov), Vice-Chair, Robert DeLoach (Dec)	
Alternate: Victor Preciado	City of Pomona

Municipal Water District Representatives

REPRESENTATIVE	MEMBER ENTITY
Steve Elie	Inland Empire Utilities Agency
Alternates: Kati Parker (Jan - Feb), Michael Camacho (Feb - Dec)	
Bob Kuhn , Secretary/Treasurer	
Alternate: David De Jesus	Three Valleys Municipal Water District
Don Galleano	Western Municipal Water District
Alternate: Robert Stockton	

Minor Representative

REPRESENTATIVE	MEMBER ENTITY
Gino L. Filippi	Appropriative Pool–Minor Representative
Alternate: Manny Martinez	Monte Vista Water District

Staff

Peter Kavounas , PE	General Manager
Joseph Joswiak , MBA	Chief Financial Officer
Anna Nelson , CAP-OM-TA	Executive Svcs. Director/Board Clerk
Edgar Tellez Foster , PhD	Sr. Environmental Engineer
Frank Yoo	Water Resources Senior Associate
Justin Nakano , MPA	Water Resources Senior Associate
Janine Wilson , CAP-OM-TA	Senior Accountant
Camille Gregory , CAP	Administrative Assistant
David Huynh	Field Operations Specialist
Alonso Jurado	Field Operations Specialist

Advisory Committee

Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Ron LaBrucherie , Jr.	Crops
Jeff Pierson , 2nd Vice-Chair	Crops
Nathan deBoom	Dairy
Robert Feenstra	Dairy
John Huitsing	Dairy
Ron Pietersma	Dairy
Henry DeHaan	Dairy
Carol Boyd	State of California-CIM
Jimmy Medrano	State of California-CIM
Pete Hall	State of California-CIM

Non-Agricultural Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Brian Geye , Vice-Chair	California Speedway Corporation
Alternate: Bob Bowcock	CalMat Co.
Ramsey Haddad	California Steel Industries, Inc.
Alternate: Kathleen Brundage	
Tom O'Neill (Jan - Mar)	City of Ontario (Non-Ag)
Christopher Quach (Mar - Oct), Shaun Stone (Oct - Dec)	
Alternates: Jeanina Romero ,	
Christopher Quach (Jan - Mar) (Oct - Dec)	

Appropriative Pool Representatives

REPRESENTATIVE	MEMBER ENTITY
Dave Crosley	City of Chino
Alternates: Amanda Coker , Amer Jakher , Vivian Castro	
Ron Craig	City of Chino Hills
Alternates: Nadeem Majaj (Jan - Aug), Mark Wiley (Aug - Dec)	
John Bosler	Cucamonga Valley Water District
Alternates: Eduardo Espinoza , Praseetha Krishnan	
Josh Swift	Fontana Union Water Company
Alternates: Eric Tarango , Seth Zielke	
Cris Fealy	Fontana Water Company
Alternates: Seth Zielke , Eric Tarango	
Eldon Horst (Jan - Jun)	Jurupa Community Services District
Chris Berch (Jun - Dec)	
Alternate: Steven Popelar	
Van Jew	Monte Vista Irrigation Company ^a
Alternates: Mark Kinsey (Jan - Nov), Justin Scott-Coe (Dec)	
Van Jew	Monte Vista Water District
Alternates: Mark Kinsey (Jan - Nov), Justin Scott-Coe (Dec)	
Scott Burton	City of Ontario
Alternates: Katie Gienger , Courtney Jones	
Chris Diggs	City of Pomona
Alternate: Raul Garibay (Jan - May)	
Teri Layton , Chair	San Antonio Water Company ^a
Alternates: Brian Lee	
Rosemary Hoerning	City of Upland
Alternates: John Robles (Jan - Jun), Steven Ledbetter (Jun - Dec)	

WATERMASTER INCLUDES REPRESENTATION OF ALL KEY STAKEHOLDER GROUPS

To draw together in a single organization all the diverse interests in the Basin, a governing structure was formed that represents all stakeholder groups, including a Board, Advisory Committee, and three Producer Pool Committees: Agricultural, Non-Agricultural, and Appropriative.

Agricultural Pool Committee

REPRESENTATIVE	MEMBER ENTITY
Ron LaBrucherie, Jr.	Crops
Jeff Pierson, Vice-Chair	Crops
Nathan deBoom	Dairy
Robert Feenstra, Chair	Dairy
John Huitsing	Dairy
Henry DeHaan	Dairy
Ron Pietersma	Dairy
Geoffrey Vanden Heuvel	Dairy
Bob Page	County of San Bernardino
Alternate: Andrew Silva	
Carol Boyd	State of California-CIM
Pete Hall	State of California-CIM
Jimmy Medrano	State of California-CIM
Alternates to any State of California Seat:	
Diana Frederick	
Marilyn Levin	
Noah Golden-Krasner	

Non-Agricultural Pool Committee

REPRESENTATIVE	MEMBER ENTITY
David Penrice	Aqua Capital Management, LP
—	CCG Ontario, LLC
Brian Geye, Chair	California Speedway Corporation
Alternate: Ray Wilkings	
Ramsey Haddad	California Steel Industries, Inc.
Alternate: Kathleen Brundage	
Bob Bowcock, Vice-Chair	CalMat Co.
Alternate: Kevin Sage	
Randall McAlister	General Electric Company
Alternate: Paul Deutsch	
Natalie Costaglio	Hamner Park Associates
Alternate: Michael Adler	A California Limited Partnership
Van Jew	Monte Vista Water District (Non-Ag)
Alternates: Mark Kinsey (Jan - Nov), Justin Scott-Coe (Dec)	
Jeffrey Edwards	NRG California South, LP (Jan - Mar)
	GenOn California South, LP (Mar - Dec)
Alternate: Tom DiCiulli	
Tom O'Neill (Jan - Mar)	City of Ontario (Non-Ag)
Christopher Quach (Mar - Oct), Shaun Stone (Oct - Dec)	
Alternates: Jeanina Romero , Christopher Quach (Jan - Mar) (Oct - Dec)	
David LeValley	Praxair, Inc.
Alternate: Jose Galindo	
Steve Riboli	Riboli Family and San Antonio Winery, Inc.
Bob Page	County of San Bernardino (Non-Ag)
Alternate: Andrew Silva	
Dennis Dooley	Southern Service Company
Alternate: William Urena	
Tom Cruikshank	Space Center Mira Loma, Inc.
Alternates: Patty Jett (Jan - Mar), Lauren Harold (Mar - Dec)	
Jesse White (Jan - Nov)	TAMCO
Alternates: Giannina Espinoza (Jan - Oct), Alfonso Ruiz	
—	West Venture Development Company

Appropriative Pool Committee

REPRESENTATIVE	MEMBER ENTITY
Kevin Sage	Nestlé Waters North America
Alternate: Bob Bowcock	(Arrowhead Mountain Spring Water Co.)
Kevin Sage	CalMat Co.
Alternate: Bob Bowcock	
Dave Crosley	City of Chino
Alternates: Amanda Coker, Amer Jakher, Vivian Castro	
Ron Craig	City of Chino Hills
Alternates: Nadeem Majaj (Jan - Aug), Mark Wiley (Aug - Dec)	
John Bosler, Vice-Chair	Cucamonga Valley Water District
Alternates: Eduardo Espinoza, Praseetha Krishnan	
Chuck Hays	City of Fontana ^a
Alternate: May Atencio	
Josh Swift	Fontana Union Water Company
Alternates: Eric Tarango, Seth Zielke	
Cris Fealy	Fontana Water Company
Alternates: Seth Zielke, Eric Tarango	
Ben Lewis	Golden State Water Company ^a
Alternate: Toby Moore	
Eldon Horst (Jan - Jun)	Jurupa Community Services District
Chris Berch (Jun - Dec)	
Alternate: Steven Popelar	
Justin Brokaw (Jan - Apr)	Marygold Mutual Water Company ^a
Steven Andrews (Apr - Dec)	
Alternate: Justin Brokaw (Apr - Dec)	
Van Jew, Chair	Monte Vista Irrigation Company ^a
Alternates: Mark Kinsey (Jan - Nov), Justin Scott-Coe (Dec)	
Van Jew	Monte Vista Water District
Alternates: Mark Kinsey (Jan - Nov), Justin Scott-Coe (Dec)	
Bob Bowcock	NCL Co., LLC
Alternate: Kevin Sage	
Geoff Kamansky	Niagara Bottling, LLC ^a
Alternates: Janelle Granger	
Cris Fealy	Nicholson Trust ^a
Alternate: Josh Swift	
Chad Blais	City of Norco ^a
Alternate: Sam Nelson	
Scott Burton	City of Ontario
Alternates: Katie Gienger, Courtney Jones	
Chris Diggs	City of Pomona
Alternate: Raul Garibay (Jan - May)	
Teri Layton	San Antonio Water Company ^a
Alternate: Brian Lee	
Bob Page	County of San Bernardino ^a
Alternate: Andrew Silva	
J. Arnold Rodriguez	Santa Ana River Water Company ^a
Alternate: John Lopez	
Rosemary Hoerning	City of Upland
Alternates: John Robles (Jan - Jun), Steven Ledbetter (Jun - Dec)	
Rosemary Hoerning	West End Consolidated Water Co. ^a
Alternates: John Robles (Jan - Oct), Steven Ledbetter (Oct - Dec)	
Clarence Mansell	West Valley Water District ^a
Alternates: Joanne Chan, Nadia Loukeh	

^a Minor Producer.

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Directory to Appendices

2018-19 Annual Report

Appendices A-Q

COURT HEARINGS AND ORDERS FISCAL YEAR 2018-19	A
RESOLUTIONS FISCAL YEAR 2018-19	B
INTERVENTIONS AFTER JUDGMENT PRODUCTION YEAR 2018-2019	C
NOTICE OF INTENT TO CHANGE THE OPERATING SAFE YIELD OF THE CHINO GROUNDWATER BASIN	D
APPROPRIATIVE RIGHTS	E-1
DISPOSITION OF ORIGINAL APPROPRIATIVE RIGHTS	E-2
NON-AGRICULTURAL RIGHTS	F-1
DISPOSITION OF ORIGINAL NON-AGRICULTURAL RIGHTS	F-2
HISTORY OF REALLOCATION OF UNPRODUCED AG POOL SAFE YIELD	G
HISTORY OF TOTAL ANNUAL GROUNDWATER PRODUCTION FROM THE CHINO BASIN	H-1, H-2
SUMMARY OF SUPPLEMENTAL SUPPLIES USED BY THE CHINO BASIN PARTIES FISCAL YEAR 2018-19	I
SUMMARY OF IMPORTED WATER DELIVERIES FROM THE MWDSC TO THE CHINO BASIN PARTIES FOR FISCAL YEAR 2018-19	J
TOTAL WATER CONSUMPTION BY THE CHINO BASIN PARTIES	K
SUMMARY OF CONJUNCTIVE USE, REPLENISHMENT, AND CYCLIC ACTIVITIES FISCAL YEAR 2018-19	L
STORM AND SUPPLEMENTAL WATER RECHARGE BY BASIN FISCAL YEAR 2018-19	M
CHINO BASIN WATERMASTER APPROVED 2019/2020 ASSESSMENT PACKAGE (PRODUCTION YEAR 2018/2019)	N
HISTORIC ASSESSMENTS PER ACRE-FOOT OF PRODUCTION	O
SUMMARY BUDGET FISCAL YEAR 2018-19	P
CHINO BASIN WATERMASTER ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED JUNE 30, 2019	Q

COURT HEARINGS AND ORDERS FISCAL YEAR 2018-19

During the fiscal year 2018-19, several hearings were held relating to administration of the Judgment and implementation of the Optimum Basin Management Program (OBMP). Hearings and orders were as follows:

Hearing Date	Primary Subject Matter
June 12, 2019	<ul style="list-style-type: none"> Order Granting Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2018-2.
June 7, 2019	<ul style="list-style-type: none"> Hearing re Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Report 2018-2.
March 15, 2019	<ul style="list-style-type: none"> Order re Amendment of Pooling Plan for the Non-Agricultural Pool, Attached to the Judgment as Exhibit "G". Findings and Order re Amendments to Restated Judgment, Peace Agreement, Peace II Agreement, and Re-Operation Schedule. Order re Approve Amendments to the Appropriative Pool Pooling Plan, ("Appropriative Pool Pooling Plan"); Watermaster Shall Proceed in Accordance with Resolution 2019-03 and the Amendments Attached Hereto; Directing Watermaster to Proceed to Redetermine Safe Yield as Set Forth on Pages 15-18 of the Court's April 28, 2017 Order. Order re Watermaster's Motion for Court to Receive and File Watermaster's 41st Annual Report.
March 15, 2019	<ul style="list-style-type: none"> Hearing re Notice of Motion and Motion Regarding Amendment of Pooling Plan for the Non-Agricultural Pool, Attached to the Judgment as Exhibit "G", filed by the Non-Agricultural Pool Committee on October 4, 2018; Chino Basin Watermaster Notice of Motion and Motion Regarding Amendments to Restated Judgment, Peace Agreement, Peace II Agreement, Re-Operation Schedule, filed on January 15, 2019; Notice of Motion and Motion to Approve Amendments to Appropriative Pool Pooling Plan and Court-Approved Management Agreements, filed by the Cucamonga Valley Water District, Monte Vista Water District, City of Pomona, City of Chino, Jurupa Community Services District, and City of Ontario on January 15, 2019 ("Appeal Parties Motion"); and, Watermaster's Notice of Motion and Motion for Court to Receive and File Watermaster's 41st Annual Report, Filed on January 31, 2019.
December 28, 2018	<ul style="list-style-type: none"> Order Granting Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Reports 2017-2 and 2018-1. Order Approving Watermaster's 2018 Recharge Master Plan Update. Order Granting Motion for Court to: (1) Re-Appoint Nine-Member Watermaster Board for a Further Five-Year Term; (2) Approve Temporary Substitute Rate for Physical Solution Transfers Under Exhibit "G" to the Judgment; and, (3) Receive and File the 2017/18 Annual Report of the Ground-Level Monitoring Committee. Order on Temporary Substitute Rate.

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| December 28, 2018 | <ul style="list-style-type: none">• Hearing re (1) Request for Court to Receive and File Watermaster Semi-Annual OBMP Status Reports 2017-2 and 2018-1; (2) Motion for Court Approval of 2018 Recharge Master Plan Update; (3) Motion for Court to: (1) Re-Appoint Nine-Member Watermaster Board for a Further Five-Year Term; (2) Approve Temporary Substitute Rate for Physical Solution Transfers Under Exhibit “G” to the Judgment; and, (3) Receive and File the 2017/18 Annual Report of the Ground-Level Monitoring Committee. |
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| August 24, 2018 | <ul style="list-style-type: none">• Order Granting Watermaster’s Motion for Court to Receive and File Watermaster’s 40th Annual Report. |
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| August 24, 2018 | <ul style="list-style-type: none">• Hearing re Watermaster’s Motion for Court to Receive and File Watermaster’s 40th Annual Report. |
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RESOLUTIONS FISCAL YEAR 2018-19

Resolution	Adopted	Summary of Resolution
2019-04	February 28, 2019	<p><i>Authorizing Amendment and Restatement of the Chino Basin Watermaster 457(f) Deferred Compensation Plan</i></p> <ul style="list-style-type: none"> Based on and in accordance with the foregoing recitals (including the defined terms therein), the form, terms and provisions of the Restated Plan hereby are authorized, adopted and approved effective as of March 1, 2019, in substantially the form attached hereto as Appendix A with such changes as may be recommended by counsel; and The Chief Financial Officer of the Watermaster (the "CFO") hereby is authorized and directed to execute the Restated Plan on behalf of the Watermaster; and Effective March 1, 2019, earnings shall be credited to the accounts of participants in the Restated Plan at the rate of 2.0% per annum, with such earnings to be compounded quarterly (or proportionally where the time period is less than a full quarter); and The CFO, on behalf of Watermaster, may delegate any administrative duties relating to the Restated Plan to appropriate employees and others; and shall execute all necessary agreements and other documents and take all actions incidental to the implementation and administration of the Restated Plan. <p><i>Authorizing Adoption of The Second Chino Basin Watermaster 457(f) Deferred Compensation Plan</i></p> <ul style="list-style-type: none"> Based on and in accordance with the foregoing recitals (including the defined terms therein), the form and provisions of the Second 457(f) Plan hereby are authorized, adopted and approved effective as of March 1, 2019, in substantially the form attached hereto as Appendix B with such changes as may be recommended by counsel; and The CFO is hereby authorized and directed to execute the Second 457(f) Plan on behalf of Watermaster; and Effective March 1, 2019, earnings shall be credited to the accounts of participants in the Second 457(f) Plan at the rate of 2.0% per annum, with such earnings to be compounded quarterly (or proportionally where the time period is less than a full quarter); and The CFO, on behalf of Watermaster, may delegate any administrative duties relating to the Second 457(f) Plan to appropriate employees and others; and shall execute all necessary agreements and other documents and take all actions incidental to the administration of the Second 457(f) Plan; and Joseph Joswiak hereby is selected to be a participant in the Second 457(f) Plan, his participation therein shall commence effective March 1, 2019; and All actions taken by the Board members and the officers, employees and agents of the Watermaster prior to the date hereof which are in furtherance of these resolutions hereby are confirmed, ratified and approved; and In addition to the specific authorizations set forth in any of the foregoing resolutions, the officers of the Watermaster be, and each of them hereby is, authorized to take from time to time any and all such action and to execute and deliver from time to time any and all such agreements, instruments, requests, receipts, notes, applications, reports, certificates and other documents as may be necessary or advisable in their opinion, or in the opinion of any of them, to effectuate, consummate and comply with the purpose and intent of any of the foregoing resolutions.
2019-03	January 11, 2019	<p><i>Authorizing Implementation of the 2018 Appropriative Pool Pooling Plan and CAMA Amendments</i></p> <ul style="list-style-type: none"> The 2018 Proposed Changes can be implemented and Watermaster endorses the 2018 Proposed Changes so long as the Court instructs Watermaster to follow the provisions of pages 15-18 of the Court's April 28, 2017 order. Watermaster will comply with the provisions of the 2018 Proposed Changes as may be ordered by the Court, Section 10.14 of the Peace Agreement, requiring consent of all parties thereto to amendments to that Agreement, will be satisfied if the Court: (i) approves the Proposed Changes; (ii) orders the Safe Yield to be reset in accordance with the procedure set forth on pages 15-18 of the Court's April 28, 2017 Order and (iii) concurrently approves the Overlying (Non-Agricultural) Pool's proposed amendments to its Pooling Plan that will modify agreements that are referenced in the Peace II Agreement.

		<ul style="list-style-type: none"> The Watermaster Board will transmit this Resolution 2019-03, the 2018 Proposed Changes, and the referenced Attachments to the Court, and, in accordance with the requests by the parties thereto, the advice and counsel of the Pool Committees, and the Advisory Committee, Watermaster recommends that the Court approve the Proposed Changes, approve the amendments to the Overlying (Non-Agricultural) Pool Pooling Plan and further orders that Watermaster be directed to reset Safe Yield as provided on pages 15-18 of the Court's April 28, 2017 Order, and to proceed in accordance with the Court Approved Management Agreements as amended. The Watermaster Board directs Watermaster legal counsel to prepare and file a motion with the Court in support of the 2018 Proposed Changes in a manner consistent with this Resolution.
2019-02	January 24, 2019	<p><i>Authorizing Investment of Monies in the Local Agency Investment Fund</i></p> <ul style="list-style-type: none"> Authorize the deposit and withdrawal of Chino Basin Watermaster monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that record. The following Chino Basin Watermaster officers and designated employees or their successors in office/position shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund: Board Chair, Board Vice-Chair, Board Secretary/Treasurer, General Manager/Secretary, Assistant General Manager, and Chief Financial Officer.
2019-01	January 24, 2019	<p><i>Establishing a Watermaster Investment Policy</i></p> <ul style="list-style-type: none"> The authority to invest and reinvest funds of Watermaster is hereby delegated to the Watermaster General Manager (and his/her designees) subject to the provisions of said Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee. This resolution shall take effect from and after its date of adoption and Resolution 2018-01 is rescinded in its entirety.
2018-05	November 15, 2018	<p><i>Levying Administrative, Replenishment, and Special Project Assessments for Fiscal Year 2018-2019</i></p> <ul style="list-style-type: none"> The Chino Basin Watermaster levies the respective assessments for each pool effective November 15, 2018 as shown on Exhibit "A" attached hereto. That pursuant to the Restated Judgment, each party has thirty (30) days from the date of invoice to remit the amount of payment for assessments due. After that date, interest will accrue on that portion which was due as provided for in Section 55 (c) of the Restated Judgment.
2018-04	September 27, 2018	<p><i>Adoption of the 2018 Recharge Master Plan Update</i></p> <ul style="list-style-type: none"> The 2018 RMPU is based on sound technical analysis and adequately updates the 2013 RMPU in light of changed economic, legislative, and hydrologic conditions within the State of California and in satisfaction of the Peace II Agreement and the Court's Orders. Based upon the 2018 RMPU, there exists sufficient recharge capacity to meet future replenishment obligations identified in the 2018 RMPU through 2050. If Basin Re-Operation were terminated prior to 2030, Watermaster would be able to increase its replenishment activity in order to maintain hydrologic balance within the Basin, in compliance with the Recharge Master Plan. Watermaster adopts the 2018 RMPU as the guidance document for the further development of the recharge facilities within the Basin. Pursuant to the Peace II Agreement Section 8.1, Watermaster and IEUA will update the Recharge Master Plan not less than once every five years. The Plan will next be updated no later than 2023.

**INTERVENTIONS AFTER JUDGMENT
PRODUCTION YEAR 2018-19¹**

Appropriative Pool ²	Non-Agricultural Pool	Agricultural Pool
None	None	None

A complete list of interventions after judgment may be found in Watermaster's History of Interventions After Judgment at the following link: www.cbwm.org/docs/legaldocs/WatermastersHistoryofInterventionsAfterJudgment.pdf

¹ Production Year is July 1 to June 30.

² Dates in parentheses are the dates of Court orders or notices of ruling relating to interventions. Reference is made to the order or notice of ruling for further information. The intervening party may have received a transfer of water rights on a date other than the date of the order or notice of ruling.

WATERMASTER'S "NOTICE OF INTENT" TO CHANGE THE OPERATING SAFE YIELD OF THE CHINO GROUNDWATER BASIN

PLEASE TAKE NOTICE that on this 24th day of January 2019, the Chino Basin Watermaster hereby adopts this “**Notice of Intent**” to change the Operating Safe Yield of the Chino Groundwater Basin pursuant to the Judgment entered in Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino Superior Court, Case No. RCVRS 51010 (formerly Case No. 164327) as Restated (Exhibit "I", Paragraph 3. (b), Page 73).

Approved by:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS CHAIR**

Signature: /s/ Jeffrey L. Pierson

Attest:

**CHINO BASIN WATERMASTER
BOARD OF DIRECTORS SECRETARY/TREASURER**

Signature: /s/ Bob G. Kuhn

APPROPRIATIVE RIGHTS

As shown on Exhibit E of Judgment entered January 27, 1978

<u>Party</u>	<u>Appropriative Right (Acre-Feet)</u>	<u>Share of Operating Safe Yield (Percent)</u>	<u>Share of Operating Safe Yield (Acre-Feet)</u>
City of Chino	5,271.7	6.693	3,670.067
City of Norco	289.5	0.368	201.545
City of Ontario	16,337.4	20.742	11,373.816
City of Pomona	16,110.5	20.454	11,215.852
City of Upland	4,097.2	5.202	2,852.401
Cucamonga County Water District	4,431.0	5.626	3,084.786
Jurupa Community Services District	1,104.1	1.402	768.655
Monte Vista County Water District	5,958.7	7.565	4,148.344
West San Bernardino County Water District	925.5	1.175	644.317
Etiwanda Water Company	768.0	0.975	534.668
Feldspar Gardens Mutual Water Company	68.3	0.087	47.549
Fontana Union Water Company	9,188.3	11.666	6,396.736
Marygold Mutual Water Company	941.3	1.195	655.317
Mira Loma Water Company	1,116.0	1.417	776.940
Monte Vista Irrigation Company	972.1	1.234	676.759
Mutual Water Company of Glen Avon Heights	672.2	0.853	467.974
Park Water Company	236.1	0.300	164.369
Pomona Valley Water Company	3,106.3	3.944	2,162.553
San Antonio Water Company	2,164.5	2.748	1,506.888
Santa Ana River Water Company	1,869.3	2.373	1,301.374
Southern California Water Company	1,774.5	2.253	1,235.376
West End Consolidated Water Company	1,361.3	1.728	947.714
Total	78,763.8	100.000	54,834.000

As of June 30, 2019

City of Chino	5,794.25	7.357	3,666.287
City of Chino Hills	3,032.86	3.851	1,919.107
City of Norco	289.50	0.368	183.389
City of Ontario	16,337.40	20.742	10,336.568
City of Pomona	16,110.50	20.454	10,193.046
City of Upland	4,097.20	5.202	2,592.365
Cucamonga Valley Water District	5,199.00	6.601	3,289.542
Jurupa Community Services District	2,960.60	3.759	1,873.260
Monte Vista Water District	6,929.15	8.797	4,383.897
West Valley Water District	925.50	1.175	585.550
Fontana Union Water Company	9,181.12	11.657	5,809.149
Fontana Water Company	1.44	0.002	0.997
Marygold Mutual Water Company	941.30	1.195	595.516
Monte Vista Irrigation Company	972.10	1.234	614.952
Niagara Bottling, LLC	0	0	0
Nicholson Trust	5.75	5.75 0.007	3.488
San Antonio Water Company	2,164.50	2.748	1,369.438
Santa Ana River Water Company	1,869.30	2.373	1,182.561
Golden State Water Company	591.05	0.750	373.755
West End Consolidated Water Company	1,361.30	1.728	861.132
San Bernardino County (Shooting Park)	0	0	0
Arrowhead Mountain Spring Water Company	0	0	0
City of Fontana	0	0	0
CalMat Co.	0	0	0
NCL Co., LLC	0	0	0
Total	78,763.82	100.000	49,834.000

DISPOSITION OF ORIGINAL APPROPRIATIVE RIGHTS¹

Original Party and Quantities	Current Party(s) as of June 30, 2019 and Original Quantities ³
City of Chino (3,670.067 AF)	City of Chino (3,670.067 AF)
City of Norco (201.545 AF)	City of Norco (201.545 AF)
City of Ontario (11,373.816 AF)	City of Ontario (11,373.816 AF)
City of Pomona (11,215.852 AF)	City of Pomona (11,215.852 AF)
City of Upland (2,852.401 AF)	City of Upland (2,852.401 AF)
Cucamonga County Water District (3,084.786 AF)	Cucamonga Valley Water District (3,084.786 AF)
Jurupa Community Services District (768.655 AF)	Jurupa Community Services District (768.655 AF)
Monte Vista County Water District (4,148.344 AF)	Monte Vista Water District (4,148.344 AF)
West San Bernardino County Water District (644.317 AF)	West Valley Water District (644.317 AF)
Etiwanda Water Company (534.668 AF)	Cucamonga Valley Water District (534.668 AF)
Feldspar Gardens Mutual Water Company (47.549 AF)	Jurupa Community Services District (47.549 AF)
Fontana Union Water Company (6,396.736 AF)	Fontana Union Water Company (6,391.736 AF); Fontana Water Company (1.000 AF); Nicholson Trust (4.00 AF)
Marygold Mutual Water Company (655.317 AF)	Marygold Mutual Water Company (655.317 AF)
Mira Loma Water Company (776.940 AF)	Jurupa Community Services District (776.940 AF)
Monte Vista Irrigation Company (676.759 AF)	Monte Vista Irrigation Company (676.759 AF)
Mutual Water Company of Glen Avon Heights (467.974 AF)	Jurupa Community Services District (467.974 AF)
Park Water Company (164.369 AF)	City of Chino/City of Chino Hills/Monte Vista Water District (164.369 AF) ²
Pomona Valley Water Company (2,162.553 AF)	City of Chino/City of Chino Hills/Monte Vista Water District (2,162.553 AF) ²
San Antonio Water Company (1,506.888 AF)	San Antonio Water Company (1,506.888 AF)
Santa Ana River Water Company (1,301.374 AF)	Santa Ana River Water Company (1,301.374 AF)
Southern California Water Company (1,235.376 AF)	Golden State Water Company (411.476 AF); City of Chino/City of Chino Hills/Monte Vista Water District (823.900 AF) ²
West End Consolidated Water Company (947.714 AF)	West End Consolidated Water Company (947.714 AF)

¹ A detailed history of the transactions/assignments that led to the current allocation of Appropriative Rights under the Judgment is contained in the History of Appropriative Rights at the following link: www.cbwm.org/docs/legaldocs/HistoryofAppropriativeRights.pdf

² The joint listing of parties separated by a "/" does not indicate any joint interest in the right indicated but indicates that these parties each have succeeded to a portion of the original right decreed in the 1978 Judgment. For additional information, see the History of Appropriative Rights.

³ The amounts shown in this column are reflective of the original shares in the Operating Safe Yield (OSY) that was apportioned under the 1978 Judgment and do not include the 5,000 acre-foot decrease in OSY that occurred in FY 2017-18 after the exhaustion of the 200,000 AF controlled overdraft. For information as to each Party's current rights in OSY, see Appendix E-1 Appropriative Rights.

NON-AGRICULTURAL RIGHTS
(AS SHOWN ON EXHIBIT D OF JUDGMENT ENTERED JANUARY 27, 1978)

<u>Party</u>	<u>Total Overlying Non-Agricultural Rights (Acre-Feet)</u>	<u>Share of Safe Yield (Acre-Feet)</u>
Ameron Steel Producers, Inc.	125	97.858
Carlsberg Mobile Home Properties, Ltd '73	593	464.240
Conrock Company	406	317.844
County of San Bernardino	171	133.870
Kaiser Steel Corporation	3,743	2,930.274
Quaker Chemical Co.	0	0
Red Star Fertilizer	20	15.657
Southern California Edison Co.	1,255	982.499
Southern Service Co. dba Blue Seal Linen	24	18.789
Space Center, Mira Loma	133	104.121
Sunkist Growers, Inc.	2,393	1,873.402
Union Carbide Corporation	<u>546</u>	<u>427.446</u>
Total	9,409	7,366.000

NON-AGRICULTURAL RIGHTS¹
(AS OF JUNE 30, 2019)

Aqua Capital Management LP	0
California Speedway Corporation	1,000.000
California Steel Industries, Inc.	1,615.137
CalMat Co.	0
CCG Ontario, LLC	0
City of Ontario (Non-Ag)	2,966.027
County of San Bernardino (Non-Ag)	133.870
General Electric Company	0
GenOn California South, LP	954.540
Hamner Park Associates, a California Limited Partnership	464.240
Monte Vista Water District (Non-Ag)	50.000
Praxair, Inc.	1.000
Riboli Family and San Antonio Winery, Inc.	0
Southern Service Company	18.789
Space Center Mira Loma, Inc.	104.121
TAMCO	42.619
West Venture Development Company (Pending Court Disposition)	<u>15.657</u>
Total	7,366.000

¹This list identifies the names of the members of the Non-Agricultural Pool according to the records of the Non-Agricultural Pool Committee. This list is not reflective of all "Active Parties" of the Non-Agricultural Pool, as that term is used in Paragraph 58 of the Restated Judgment.

DISPOSITION OF ORIGINAL NON-AGRICULTURAL RIGHTS¹

Original Party and Quantities	Current Party(s) and Quantities as of June 30, 2019
Ameron Steel Producers (97.858 AF)	TAMCO (42.619 AF), City of Ontario (Non-Ag) (55.239 AF)
Carlsberg Mobile Home Properties, Ltd '73 (464.240 AF)	Hamner Park Associates, a California Limited Partnership (464.240 AF)
Conrock Company (317.844 AF)	City of Ontario (Non-Ag) (317.844 AF)
County of San Bernardino (133.870 AF)	County of San Bernardino (Non-Ag) (133.870 AF)
Kaiser Steel Corporation (2930.274 AF)	California Speedway Corporation (1000.000 AF), California Steel Industries, Inc. (1615.137 AF), City of Ontario (Non-Ag) (265.137 AF), Monte Vista Water District (Non-Ag) (50.000 AF)
Red Star Fertilizer (15.657 AF)	West Venture Development Company (Pending Court Disposition) (15.657 AF)
Southern California Edison Co. (982.499 AF)	GenOn California South, LP (954.540 AF), City of Ontario (Non-Ag) (27.959 AF)
Southern Service Co. dba Blue Seal Linen (18.789 AF)	Southern Service Company (18.789 AF)
Space Center, Mira Loma (104.121 AF)	Space Center Mira Loma, Inc. (104.121 AF)
Sunkist Growers, Inc. (1,873.402 AF)	City of Ontario (Non-Ag) (1,873.402 AF)
Union Carbide Corporation (427.446 AF)	City of Ontario (Non-Ag) (426.446 AF), Praxair, Inc. (1.000 AF)

¹ A detailed history of the transactions/assignments that led to the current allocation of Non-Agricultural Rights under the Judgment is contained in the History of Non-Agricultural Rights website link: www.cbwm.org/docs/legaldocs/HistoryofNonAgriculturalRights.pdf

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HISTORY OF REALLOCATION OF UNPRODUCED AG POOL SAFE YIELD¹ (ACRE-FEET)

Production Year	Calculation of Water Rights Available for Reallocation due to Ag Pool Underproduction of Safe Yield ⁵		Claims to Underproduced Ag Pool Safe Yield			Rights Available for Reallocation less Claimed Rights ^{9,11}	Total Reallocation of Unproduced Ag Pool Safe Yield ¹⁰
	Assessable Ag Pool Production	Water Rights Available for Reallocation	Claims Resulting from Land Use Conversions ⁶	Early Transfer Claims ^{5,8,11}	Total Claims		
	A	B	C	D	E = C + D	F = B - E	G = B
83-84 ²	59,033	n/a ⁵	593	n/a	593	n/a	26,355
84-85	55,543	n/a	593	n/a	593	n/a	19,136
85-86	52,061	n/a	811	n/a	811	n/a	21,902
86-87	59,847	n/a	811	n/a	811	n/a	37,159
87-88	57,865	n/a	4,056	n/a	4,056	n/a	78,489
88-89 ³	46,762	24,935	811	n/a	811	24,124	24,935
89-90	48,420	36,038	811	n/a	811	35,227	36,038
90-91	48,085	34,380	811	n/a	811	33,569	34,380
91-92	44,682	34,715	811	n/a	811	33,904	34,715
92-93	44,092	38,118	811	n/a	811	37,307	38,118
93-94	44,298	38,708	811	n/a	811	37,897	38,708
94-95	55,022	38,502	3,652	n/a	3,652	34,850	38,502
95-96	43,639	27,778	11,711	n/a	11,711	16,067	27,778
96-97	44,809	39,161	12,620	n/a	12,620	26,541	39,161
97-98	43,345	37,991	14,426	n/a	14,426	23,565	37,991
98-99	47,538	39,455	17,022	n/a	17,022	22,433	39,455
99-00 ⁴	44,401	38,399	10,471	32,800	43,271	-4,872	38,399
00-01	39,954	42,846	13,920	32,800	46,720	-3,874	42,846
01-02	39,495	43,306	14,133	32,800	46,933	-3,627	43,306
02-03	37,457	45,343	16,480	32,800	49,280	-3,937	45,343
03-04	41,978	40,822	17,510	32,800	50,310	-9,488	40,822
04-05	34,450	48,350	19,013	32,800	51,813	-3,464	48,350
05-06	33,900	48,900	20,370	32,800	53,170	-4,270	48,900
06-07	37,295	45,505	22,158	32,800	54,958	-9,454	45,505
07-08	30,910	51,890	22,461	32,800	55,261	-3,371	51,890
08-09	32,143	50,657	22,730	32,800	55,530	-4,873	50,657
09-10	31,855	50,945	22,943	32,800	55,743	-4,798	50,945
10-11	31,342	51,458	23,033	32,800	55,833	-4,375	51,458
11-12	34,353	48,447	23,237	32,800	56,037	-7,590	48,447
12-13	34,458	48,342	23,773	32,800	56,573	-8,231	48,342
13-14	33,639	49,161	26,162	32,800	58,962	-9,801	49,161
14-15	28,521	54,279	26,768	22,511	49,279	5,000	54,279
15-16	26,167	56,633	27,450	24,183	51,633	5,000	56,633
16-17	26,863	55,937	28,296	22,642	50,937	5,000	55,937
17-18	28,461	54,339	29,031	20,308	49,339	5,000	54,339
18-19	21,786	61,014	29,972	26,042	56,014	5,000	61,014

¹ Source: Watermaster Annual Reports and Assessment Packages.

² Fiscal year 83-84 was the first-year that reallocation occurred under the Judgment

³ During fiscal year 87-88 the Appropriators agree to pay Ag Pool assessments and the reallocation procedure changed by agreement. Effective FY 88-89, the Ag Pool's unused water rights from the prior year are made available for reallocation to the Appropriative Pool in the following year (i.e. 82,800 AF less the total assessable production).

⁴ During fiscal year 99-00 the Peace Agreement is signed. The Appropriators agree to pay the Ag Pool assessments for the life of the Peace Agreement and the reallocation procedure is changed by agreement. The Ag Pool's unused water rights (i.e. 82,800 AF less the total assessable production) are made available for reallocation to the Appropriative Pool in the current year.

⁵ n/a indicates the information is not applicable for the given year.

⁶ When land is converted from agricultural to urban uses, water rights are permanently transferred to the appropriative pool. This column represents the sum of the cumulative transfers that have resulted from land use changes over time. For example, in 85-86 land use conversions resulted in 218 acre-feet of conversions. Thus, the total claims for 85-86 were 811: the sum of the conversions from prior years plus the new conversions for 85-86 (811 = 593 + 218).

⁷ After a duplication of conversion areas was identified, Jurupa's Pre-Peace Agreement acres were adjusted to 337.6 acres and the Post-Peace Agreement acres were adjusted to 846.4 acres.

⁸ During fiscal year 99-00 the Peace Agreement is signed and establishes that each year 32,800 acre-feet of Ag Pool rights will be pre-emptively transferred to the Appropriative Pool and the transfer will be distributed proportional to each member's share of the Operating Safe Yield.

⁹ If the total claims to underproduced Ag Pool Safe Yield (C + D) are greater than the water rights available for reallocation (B) then the reallocation is limited to the amount of rights available. The reduction is distributed among the Parties in proportion to their share of the Operating Safe Yield

¹⁰ For production years 83-84 through 87-88, the allocation was computed in a different manner and so the generalized formula does not apply for these years.

¹¹ For production years 14-15 through 17-18, the Early Transfer Claims and Rights Available for Reallocation less Claimed Rights have been revised in accordance to the March 15, 2019 Court Order.

HISTORY OF TOTAL ANNUAL GROUNDWATER PRODUCTION FROM THE CHINO BASIN (ACRE-FEET)

Production Year	Appropriative Pool ¹³	Agricultural Pool ¹³	Non-Agricultural Pool ¹³	Chino Basin Desalters ¹⁴	Department of Toxic Substances Control ¹⁵	Total Production ¹⁶
77-78	62,408	91,714	10,102 ¹	-	-	164,224
78-79	61,372	81,479	7,263	-	-	150,114
79-80	65,371	70,050	7,541	-	-	142,961
80-81	71,443	67,726	5,777	-	-	144,945
81-82	66,844	64,032	5,801	-	-	136,676
82-83	63,557	56,858	2,448	-	-	122,864
83-84	70,544	60,076	3,258	-	-	133,877
84-85	76,903	54,248	2,446	-	-	133,598
85-86	80,885	50,611	3,255	-	-	134,751
86-87	84,662	57,964	2,696	-	-	145,322
87-88	91,579 ²	55,949	3,018	-	-	150,545
88-89	93,617 ³	45,683	3,692	-	-	142,992
89-90	101,344 ⁴	47,358	4,927	-	-	153,629
90-91	86,513 ⁵	47,011	5,479	-	-	139,003
91-92	91,736 ⁶	43,456	4,900	-	-	140,092
92-93	86,584 ⁷	44,300	5,226	-	-	136,110
93-94	80,934 ⁸	44,492	4,322	-	45	129,793
94-95	93,608 ⁹	55,415	4,091	-	45	153,159
95-96	103,729 ¹⁰	43,639	3,240	-	60	150,668
96-97	112,205 ¹¹	44,923	3,779	-	76	160,983
97-98	99,810 ¹²	43,370	3,274 ¹²	-	83	146,537
98-99	111,048	47,792	3,734	-	81	162,655
99-00	128,892	44,242	5,605	-	82	178,821
00-01	116,204	39,285	5,991	7,989	100	169,570
01-02	123,531	38,196	4,150	9,458	81	175,416
02-03	121,748	35,168	3,979	10,439	79	171,413
03-04	125,320	38,192	2,057	10,605	79	176,253
04-05	118,030	31,505	2,246	9,854	81	161,715
05-06	107,249	30,253	2,641	16,542	80	156,765
06-07	119,438	29,653	3,251	27,077	79	179,498
07-08	120,650	23,539	3,421	30,121	81	177,813
08-09	134,119	23,277	2,420	29,012	83	188,910
13-14	113,976	21,796 ¹⁷	3,834	29,282	85	168,973
14-15	97,842	17,118 ¹⁷	3,371	30,022	84	148,436
15-16	100,297	17,109 ¹⁷	2,670	28,191	85	148,352
16-17	93,699	17,715 ¹⁷	3,636	28,284	104	143,438
17-18	88,740	18,827	2,919	30,088	83	140,656
18-19	83,280	15,572	3,204	31,233	80	133,368

* Total Production adjusted from prior annual reports to include previously omitted production from wells that have become non-active over time.

¹Includes 3,945 AF of mined water pumped by Edison as agent for IEUA.

²Does not include 7,674.3 AF exchanged with MWDSC.

³Does not include 6,423.6 AF exchanged with MWDSC.

⁴Does not include 16,377.1 AF exchanged with MWDSC.

⁵Does not include 14,929.1 AF exchanged with MWDSC.

⁶Does not include 12,202.4 AF exchanged with MWDSC.

⁷Does not include 13,657.3 AF exchanged with MWDSC.

⁸Does not include 20,194.7 AF exchanged with MWDSC.

⁹Does not include 4,221.9 AF exchanged with MWDSC.

¹⁰Does not include 6,167.2 AF exchanged with MWDSC.

¹¹Does not include 4,275.4 AF exchanged with MWDSC.

¹²Does not include 216.5 AF exchanged with MWDSC.

¹³Represents total physical production by Pools, not assessed production.

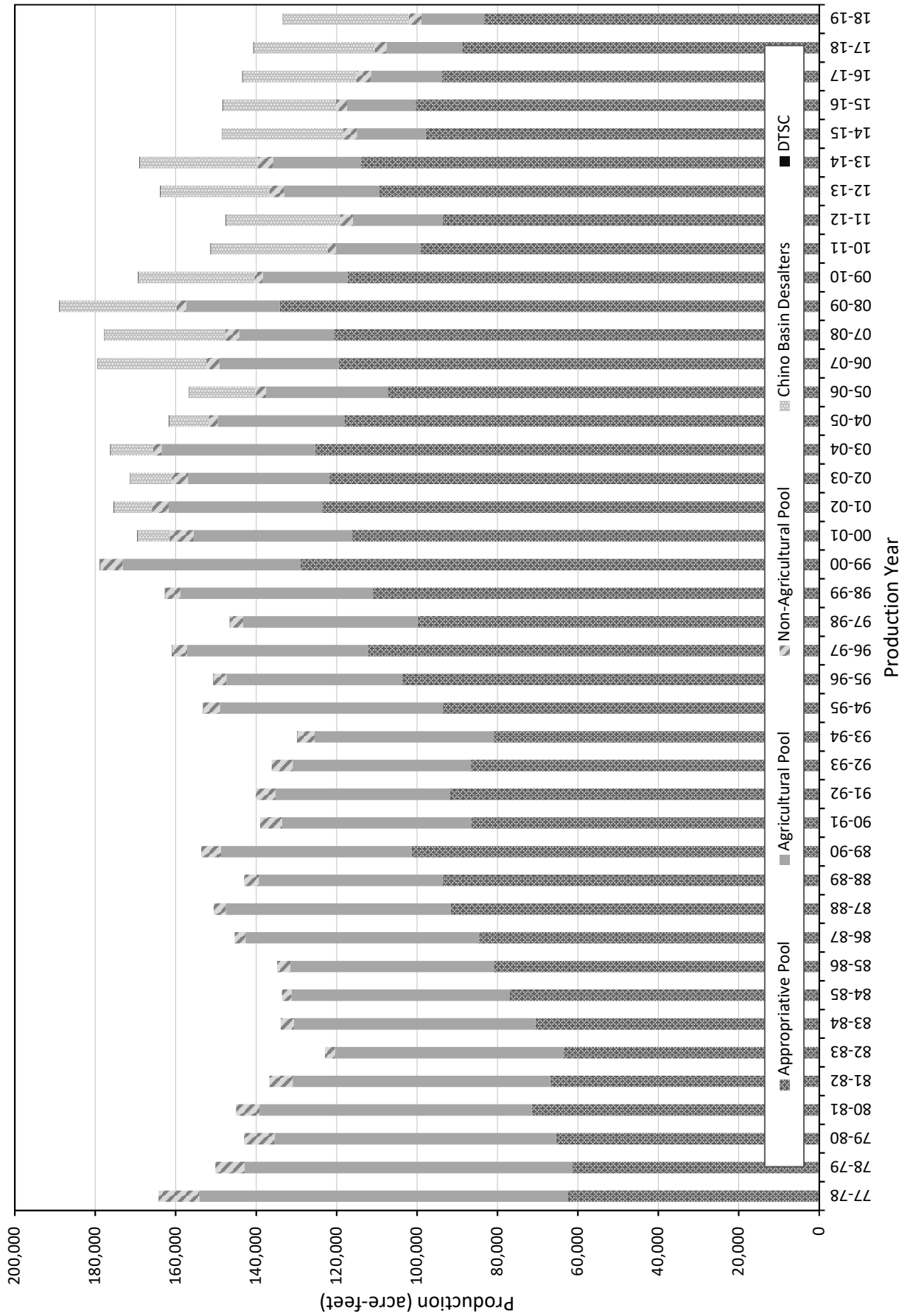
¹⁴Production by Chino Basin Desalters is not considered assessable production; Desalters replenishment obligation accounting is shown in the Assessment Package.

¹⁵Production by DTSC is accounted separately, by agreement, such that the production is not assessed by Watermaster.

¹⁶Total reflects physical production by pumpers and does not account for any adjustments that are made in the Assessment Packages.

¹⁷Total Agricultural Pool production revised due to incorrect multiplier used on an irrigation well meter.

HISTORY OF TOTAL ANNUAL GROUNDWATER PRODUCTION FROM THE CHINO BASIN (ACRE-FEET)



**SUMMARY OF SUPPLEMENTAL SUPPLIES
USED BY THE CHINO BASIN PARTIES¹
FISCAL YEAR 2018-19
(ACRE-FEET)**

Parties	Other Groundwater Basins	Surface Diversions	Imported Water Deliveries				Recycled Water ²	Total
			SBVMWD	MWDSC				
				IEUA	TVMWD	WMWD		
Chino, City of	-	-	-	4,117	-	-	4,760	8,877
Chino Hills, City of	-	-	-	1,500	-	-	1,548	3,048
Cucamonga Valley Water District ³	3,259	2,871	-	26,691	-	-	996	33,817
Inland Empire Utilities Agency	-	-	-	-	-	-	685	685
Fontana Water Company ⁴	11,280	2,503	-	12,075	-	-	143	26,001
Golden State Water Company ⁵	0	-	-	-	5,845	-	-	5,846
Jurupa Community Services District ⁶	484	-	-	-	-	-	-	484
Marygold Mutual Water Company ⁷	-	-	-	-	-	-	-	-
Monte Vista Water District	-	-	-	6,616	-	-	289	6,904
Norco, City of ⁸	5,312	-	-	-	-	10	-	5,322
Ontario, City of	-	-	-	5,738	-	-	7,513	13,251
Pomona, City of ⁹	41	1,576	-	-	3,865	-	1,582	7,063
San Antonio Water Company ¹⁰	745	7,272	-	-	-	-	-	8,017
San Bernardino, County of	-	-	-	-	-	-	162	162
Santa Ana River Water Company ¹¹	61	-	-	-	-	-	-	61
State of California, CIM ¹²	-	-	-	-	-	-	374	374
Upland, City of ¹³	5,030	849	-	5,593	-	-	614	12,086
West End Consolidated Water Company ¹⁴	538	-	-	-	-	-	-	538
West Valley Water District ¹⁵	7,681	8,241	5,371	-	-	-	-	21,293
Total	34,431	23,312	5,371	62,330	9,710	10	18,665	153,828

¹ The values reported herein represent the total supplemental water supply used by each Party within its entire service area. Some Parties have service area boundaries which extend outside the adjudicated Chino Basin boundary.

² Recycled water is supplied by IEUA unless stated otherwise.

³ Other groundwater is produced from Cucamonga Basin. Surface water diversions are from Lloyd Michaels, Royer-Nesbit, and Arthur H. Bridge WTPs, and Deer Canyon.

⁴ Other groundwater is produced from Colton/Rialto, Lytle, and "unnamed" Basins. Surface water diversions are from Lytle Creek.

⁵ Other groundwater is produced from Six Basins.

⁶ Other groundwater is produced from Riverside Basin and Temescal.

⁷ Treated water is delivered by West Valley Water District (WVWD), and represents a blend of multiple water sources available to WVWD. MMWC purchased 207 acre-feet of water from WVWD, but that amount is shown as part of WVWD's supply within this table.

⁸ Other groundwater is produced from Arlington and Temescal Basins and a portion of the hydrologic Chino Basin that is outside the adjudicated boundary.

⁹ Imported groundwater is produced from Six Basins and Spadra Basin. Surface water diversions are from San Antonio Creek. Recycled water is served from the Pomona Water Reclamation Plant.

¹⁰ Other groundwater is produced from Six Basins and Cucamonga Basin. Surface water diversions are from San Antonio Creek. Supplemental Supplies shown herein do not include sales to the City of Upland - these supplies are shown as part of Upland's supply within this table.

¹¹ Other groundwater is produced from the portion of the hydrologic Chino Basin that is outside the adjudicated boundary.

¹² Recycled water includes water treated by CIM and reused on location for irrigation purposes. In the 41st Annual Report, recycled water use should not have included water reuse by Cal Poly and the correct total was 742 acre-feet.

¹³ Other groundwater is produced from Six Basins and Cucamonga Basin. Supplemental Supplies shown herein do not include sales to Golden State Water Company (GSWC) - these supplies are shown as part of GSWC's supply within this table.

¹⁴ Other groundwater is produced from Six Basins and Cucamonga Basin.

¹⁵ Other groundwater is produced from Rialto and North Riverside basins. Surface water diversions are from Lytle Creek.

**SUMMARY OF IMPORTED WATER DELIVERIES FROM
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
TO THE CHINO BASIN PARTIES FOR FISCAL YEAR 2018-19
(ACRE-FEET)¹**

Month	Water Facilities Authority - CB-12						Reliant
	Upland	MVWD	Ontario	Chino	Chino Hills ²	Sub-Total	CB-01
July	955	964	183	523	200	2,825	-
August	1,035	23	854	573	200	2,685	-
September	783	870	1,178	495	100	3,426	-
October	406	714	1,093	453	100	2,765	-
November	678	983	739	360	100	2,859	-
December	277	264	167	113	100	920	-
January	337	426	256	175	100	1,294	-
February	284	197	219	114	100	913	-
March	195	265	268	307	100	1,134	-
April	179	490	206	307	100	1,281	-
May	183	499	249	328	100	1,358	-
June	281	923	326	371	200	2,100	-
Total	5,593	6,616	5,738	4,117	1,500	23,563	-

Month	Fontana Water Co.	Cucamonga Valley Water District			Three Valleys MWD to Pomona	Three Valleys MWD to GSWC	Western MWD to Norco	Total
	CB-19	CB-07	CB-16	Sub-Total				
July	1,198	-	3,615	3,615	613	823	-	9,075
August	1,184	-	3,636	3,636	710	840	-	9,055
September	1,113	-	3,525	3,525	580	760	-	9,404
October	1,178	-	3,266	3,266	353	635	-	8,198
November	1,095	-	2,359	2,359	209	482	10	7,013
December	804	-	-	-	-	249	-	1,973
January	1,023	-	1,483	1,483	-	204	-	4,006
February	639	-	-	-	12	138	-	1,702
March	763	-	667	667	102	193	-	2,859
April	962	-	2,683	2,683	422	499	-	5,847
May	1,049	-	2,027	2,027	300	410	-	5,144
June	1,067	-	3,431	3,431	564	612	-	7,774
Total	12,075	-	26,691	26,691	3,865	5,845	10	72,049

¹ Does not include Dry Year Yield activity ("puts" or "takes").

² Total includes water delivered directly from WFA and from WFA through MVWD by agreement.

TOTAL WATER CONSUMPTION BY THE CHINO BASIN PARTIES¹
(ACRE-FEET)

Year	Chino Basin Extractions ²	Supplemental Supplies ³	Total
77-78	164,224	61,567	225,791
78-79	150,114	75,864	225,978
79-80	142,961	70,727	213,688
80-81	144,945	77,765	222,710
81-82	136,676	67,491	204,167
82-83	122,864	76,000	198,864
83-84	133,877	99,257	233,134
84-85	133,598	92,952	226,550
85-86	134,751	114,624	249,375
86-87	145,322	126,493	271,815
87-88	150,545	116,175	266,720
88-89	142,992	128,167	271,159
89-90	153,629	139,004	292,633
90-91	139,003	116,493	255,496
91-92	140,092	104,480	244,572
92-93	136,110	117,205	253,315
93-94	129,793	136,038	265,831
94-95	153,159	116,797	269,956
95-96	150,668	130,494	281,162
96-97	160,983	115,031	276,014
97-98	146,537	106,360	252,897
98-99	162,655	113,040	275,695
99-00	178,821	129,208	308,029
00-01	169,570	128,596	298,166
01-02	175,416	140,907	316,323
02-03	171,413	134,154	305,567
03-04	176,253	143,989	320,242
04-05	161,715	145,644	307,359
05-06	156,765	171,896	328,661
06-07	179,498	176,807	356,305
07-08	177,813	162,465	340,278
08-09	188,910	131,819	320,729
09-10	169,323	144,354	313,677
10-11	151,319	154,760	306,079
11-12	147,595	171,808	319,403
12-13	163,883	154,870	318,753
13-14	168,973	183,699	352,672
14-15	148,436	162,477 ¹	310,913
15-16	148,352	114,780 ¹	263,132
16-17	143,438	147,767 ¹	291,205
17-18	140,656	185,964 ¹	326,620
18-19	133,275	153,828 ¹	287,103

¹ The values reported herein are intended to represent the supplemental water supply used by each Party within its entire service area. Some Parties have service area boundaries which extend outside the adjudicated Chino Basin boundary. During the preparation of the FY14/15 Annual Report, it was determined that the collection and reporting of supplemental water supplies has been inconsistent over time, such that some parties reported estimates of water used within the boundary of Chino Basin and others provided the entire service area use, and some agencies varied their reporting methods over time. In many years, the reported data also excluded some Watermaster Parties. And, in some cases, the supplemental supplies included recharge water volumes. The values reported for the noted years are representative of total water consumption by the Chino Basin parties and are not directly comparable to values reported for prior years. Watermaster staff will be working with the Parties to update the historical information for consistency in future annual reports.

² Represents the total groundwater extraction values reported in Appendix H-1.

³ Total does not include cyclic deliveries, water delivered by exchange, or water from direct spreading that was used for replenishment.

SUMMARY OF CONJUNCTIVE USE REPLENISHMENT, AND CYCLIC ACTIVITIES FISCAL YEAR 2018-19 (ACRE-FEET)

Conjunctive Use Resulting from Storage and Recovery Programs in the Chino Basin												
DYY Holding Account Summary:												Ending Bal.
												45,968.5

STORM AND SUPPLEMENTAL WATER RECHARGE BY BASIN FISCAL YEAR 2018-19 (ACRE-FEET)

	JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER		
	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC
MZ 1																		
Aquifer Storage & Recovery (ASR)																		
MVWD	0	0	0	0	0	0	0	0	0	0	91	0	0	180	0	0	16	0
Chino Hills	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
San Antonio Channel																		
Upland	0	0	0	0	0	0	0	0	0	5	0	0	28	0	0	78	0	0
College Heights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montclair 1, 2 3 & 4	0	0	0	0	0	0	0	0	0	41	0	0	99	0	0	157	0	0
Brooks	0	0	45	0	0	18	0	0	0	3	0	0	22	0	183	43	0	257
West Cucamonga Channel																		
15th Street	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8th Street	6	58	93	6	0	144	6	0	195	54	0	179	112	0	283	138	0	251
7th Street	0	0	0	0	0	3	0	0	55	14	0	9	3	0	0	26	0	0
	6	58	139	6	0	165	6	0	249	117	91	188	264	180	466	441	16	508
MZ 2																		
Cucamonga /Deer Creek Channels																		
Turner 1 & 2	3	0	68	3	0	94	7	0	20	15	0	0	59	0	0	55	0	0
Turner 3 & 4	13	0	25	6	0	65	9	0	88	28	0	87	31	0	59	90	0	20
Day Creek Channel																		
Lower Day	2	0	0	0	0	0	0	0	0	5	0	0	43	0	0	54	0	0
Etiwanda Channel																		
Etiwanda Debris Basin	0	0	0	0	0	0	0	0	0	6	0	0	0	0	0	0	0	0
Victoria	0	0	101	0	0	191	0	0	159	44	0	104	33	0	83	46	0	98
Managed Aquifer Recharge (MAR)																		
Intex Property										0	0	0	0	0	0	0	0	0
Minor Drainage																		
Grove	0	0	0	0	0	0	0	0	0	19	0	0	52	0	0	80	0	0
San Sevaine Channel																		
San Sevaine 1, 2, 3 & 4	2	0	0	0	0	0	0	0	0	7	0	0	26	0	0	44	0	0
San Sevaine 5	0	0	0	0	0	0	0	0	0	0	0	0	5	0	0	1	0	0
West Cucamonga Channel																		
Ely 1, 2 & 3	0	0	209	0	0	253	0	0	336	35	0	156	202	0	256	222	0	26
West Fontana Channel																		
Hickory	3	0	18	2	0	122	3	0	15	4	0	0	37	0	10	60	0	8
	22	0	421	11	0	724	19	0	619	164	0	347	487	0	409	651	0	151
MZ 3																		
Day Creek Channel																		
Wineville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Riverside	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DeClez Channel																		
DeClez	11	0	266	9	0	275	11	0	258	61	0	167	170	0	57	61	0	104
RP3 Cell 1, 3, & 4	30	0	135	9	0	156	0	0	156	0	0	158	1	0	123	14	0	142
RP3 Cell 2	11	0	19	0	0	2	7	0	42	12	0	0	4	0	65	30	0	27
Etiwanda Channel																		
Etiwanda Conservation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
San Sevaine Channel																		
Jurupa	0	0	0	0	0	0	0	0	0	4	0	0	11	0	0	9	0	0
West Fontana Channel																		
Banana	2	0	147	0	0	16	0	0	91	12	0	0	23	0	30	12	0	0
	54	0	567	19	0	449	18	0	547	88	0	325	209	0	275	126	0	272
Total																		
	82	58	1,126	36	0	1,338	43	0	1,415	369	91	860	959	180	1,150	1,219	16	931

Evaporative losses are applied to Imported and Recycled Water (1.5% November - March, 4.2% April - October).

ST = stormwater
IMP = imported water
RC = recycled water

JANUARY			FEBRUARY			MARCH			APRIL			MAY			JUNE			TOTAL			
ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ST	IMP	RC	ALL
0	26	0	0	99	0	0	17	0	0	37	0	0	32	0	0	392	0	0	891	0	891
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
167	0	0	259	0	0	118	0	0	0	69	0	33	0	0	0	1,148	0	687	1,217	0	1,904
22	19	0	77	104	0	14	189	0	3	559	0	2	257	0	0	556	0	116	1,683	0	1,799
400	0	0	390	0	0	259	0	0	0	395	0	113	171	0	0	1,712	0	1,458	2,279	0	3,737
260	0	66	283	0	0	149	0	77	3	0	254	61	0	189	0	0	291	824	0	1,381	2,204
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
238	0	202	261	0	0	203	0	277	11	0	364	80	0	305	6	0	414	1,123	58	2,707	3,888
41	0	43	58	0	0	72	0	0	0	0	0	26	0	28	0	0	19	241	0	156	397
1,128	45	311	1,328	203	0	815	207	354	16	1,060	618	315	460	522	6	3,808	724	4,448	6,127	4,244	14,820
179	0	0	190	0	0	114	0	0	12	0	0	134	0	0	3	0	0	773	0	182	955
154	0	0	189	0	0	51	0	0	5	0	0	12	0	0	3	0	0	591	0	344	935
124	0	0	191	0	0	160	0	0	1	0	0	23	0	0	0	417	0	601	417	0	1,018
133	0	0	101	0	0	68	0	0	0	0	0	0	0	0	0	0	0	308	0	0	308
252	0	91	372	0	8	223	0	76	1	0	298	46	0	251	0	0	319	1,016	0	1,780	2,796
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	0	0	47	0	0	85	0	0	0	0	0	79	0	0	0	0	0	421	0	0	421
256	0	0	320	0	0	214	0	0	0	0	0	22	0	0	0	857	0	891	857	0	1,748
63	0	0	108	0	0	99	0	0	0	0	0	3	0	0	0	0	0	279	0	0	279
295	0	109	288	0	0	68	0	0	74	0	0	70	0	44	1	0	0	1,255	0	1,388	2,643
44	0	8	91	0	0	28	0	0	0	0	0	0	0	0	0	0	0	271	0	181	451
1,558	0	208	1,897	0	8	1,109	0	76	93	0	298	389	0	295	7	1,274	319	6,406	1,274	3,875	11,555
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
113	0	46	131	0	0	75	0	74	22	0	101	63	0	97	18	0	174	744	0	1,619	2,363
53	0	51	42	0	0	14	0	0	0	0	0	0	0	0	0	0	0	163	0	921	1,083
44	0	18	83	0	0	23	0	0	2	0	17	21	0	0	0	0	0	236	0	190	426
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
156	0	0	409	0	0	129	0	0	6	0	0	9	0	0	0	0	0	732	0	0	732
27	0	13	42	0	0	14	0	0	0	0	0	0	0	0	0	0	0	132	0	297	429
393	0	128	707	0	0	254	0	74	30	0	118	93	0	97	18	0	174	2,007	0	3,026	5,033
3,079	45	647	3,932	203	8	2,177	207	504	139	1,060	1,035	796	460	914	31	5,082	1,217	12,861	7,401	11,145	31,407

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CHINO BASIN WATERMASTER

APPROVED

**2019/2020 ASSESSMENT PACKAGE
(PRODUCTION YEAR 2018/2019)**

NOVEMBER 21, 2019



Chino Basin Watermaster Assessment Package

Table of Contents

Assessment Year 2019-2020 (Production Year 2018-2019)

Table of Contents.....	0
------------------------	---

Pool 1

Water Production Overview.....	1
--------------------------------	---

Pool 2

Assessment Fee Summary.....	2
Water Production Overview.....	3
Water Production Summary.....	4
Local Storage Accounts Summary.....	5
Water Transaction Summary.....	6
Cumulative Unmet Replenishment Obligation (CURO).....	7

Pool 3

Assessment Fee Summary.....	8
Water Production Overview.....	9
Water Production Summary.....	10
Local Excess Carry Over Storage Account Summary.....	11
Local Supplemental Storage Account Summary.....	12
Other Storage and Replenishment Accounts.....	13
Water Transaction Summary.....	14
Land Use Conversion Summary.....	15
Agricultural Pool Reallocation Summary.....	16
Cumulative Unmet Replenishment Obligation (CURO).....	17
Desalter Replenishment Accounting.....	18
Desalter Replenishment Obligation Contribution (DROC).....	19
Remaining Desalter Replenishment Obligation (RDRO).....	20
Desalter Replenishment Summary.....	21

Pool All

Assessment Calculation.....	22
Water Transaction Detail.....	23
Analysis of the 85/15 Rule Application to Water Transfers.....	24
Watermaster Replenishment Calculation.....	25
Readiness to Serve (RTS) Charges.....	26
Assessment Package Notes.....	27
Assessment Package References and Definitions.....	28



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Production Overview

AGRICULTURAL POOL SUMMARY IN ACRE FEET

Agricultural Pool Safe Yield	82,800.0
Agricultural Total Pool Production	(21,785.9)
	61,014.1
Safe Yield Reduction (Backfill)	(5,000.0)
Total Conversions	(29,972.5)
	(34,972.5)
Under(Over) Production:	26,041.7

Well County	Physical Production	Voluntary Agreements	Total Ag Pool Production
Los Angeles County	148.7	0.0	148.7
Riverside County	2,259.3	0.0	2,259.3
San Bernardino County	13,243.6	6,134.3	19,377.9
	15,651.6	6,134.3	21,785.9



POOL 2

Assessment Year 2019-2020 (Production Year 2018-2019)
Assessment Fee Summary

	AF Production	Non-Agricultural Pool		Replenishment Assessments		CURO Adjmnt	RTS Charges	Other Adjmnts	Total Assmnts Due
		\$23.09 AF/Admin	\$51.90 AF/OBMP	AF Over Annual Right	\$743.00 Per AF				
Aqua Capital Management LP	0.0	0.00	0.00	0.0	0.00	0.00	308.20	0.00	308.20
California Speedway Corporation	388.6	8,973.19	20,169.27	0.0	0.00	0.00	0.00	0.00	29,142.46
California Steel Industries, Inc.	1,418.8	32,761.04	73,637.85	0.0	0.00	0.00	0.00	0.00	106,398.89
CalMat Co.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
CCG Ontario, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
City of Ontario (Non-Ag)	1,508.1	34,821.71	78,269.66	0.0	0.00	0.00	0.00	0.00	113,091.37
County of San Bernardino (Non-Ag)	57.0	1,316.11	2,958.25	0.0	0.00	0.00	0.00	0.00	4,274.36
General Electric Company	0.0	0.00	0.00	0.0	0.00	0.40	0.33	0.00	0.73
GenOn California South, LP	18.2	419.20	942.24	0.0	0.00	0.00	0.00	0.00	1,361.44
Hamner Park Associates, a California Limited Partnership	303.6	7,010.24	15,757.10	0.0	0.00	0.00	0.00	0.00	22,767.34
Monte Vista Water District (Non- Ag)	15.0	346.65	779.17	0.0	0.00	0.00	0.00	0.00	1,125.82
Praxair, Inc.	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Riboli Family and San Antonio Winery, Inc.	25.6	590.39	1,327.03	25.6	18,997.77	333.07	203.92	0.00	21,452.18
Southern Service Company	22.7	524.40	1,178.70	5.8	4,310.14	219.04	407.03	0.00	6,639.32
Space Center Mira Loma, Inc.	93.7	2,163.72	4,863.45	0.0	0.00	0.00	0.00	0.00	7,027.17
TAMCO	9.7	223.70	502.81	0.0	0.00	0.00	195.00	0.00	921.51
West Venture Development Company	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
	3,861.0	89,150.35	200,385.53	31.4	23,307.91	552.51	1,114.48	0.00	314,510.78
	2A	2B	2C	2D	2E	2F	2G	2H	2I

p2:

1) NRG California South LP changed its name to GenOn California South, LP in March of 2019.



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Production Overview

	Physical Production	Assignments	Other Adjustments	Actual FY Production (Assmnt Pkg Column 4H)
Aqua Capital Management LP	0.0	0.0	0.0	0.0
California Speedway Corporation	388.6	0.0	0.0	388.6
California Steel Industries, Inc.	1,418.8	0.0	0.0	1,418.8
CalMat Co.	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	1,508.1	0.0	1,508.1
County of San Bernardino (Non-Ag)	0.0	57.0	0.0	57.0
General Electric Company	1,320.4	0.0	(1,320.4)	0.0
GenOn California South, LP	18.2	0.0	0.0	18.2
Hamner Park Associates, a California Limited Partnership	0.0	303.6	0.0	303.6
Monte Vista Water District (Non-Ag)	0.0	15.0	0.0	15.0
Praxair, Inc.	0.0	0.0	0.0	0.0
Riboli Family and San Antonio Winery, Inc.	25.6	0.0	0.0	25.6
Southern Service Company	22.7	0.0	0.0	22.7
Space Center Mira Loma, Inc.	0.0	93.7	0.0	93.7
TAMCO	9.7	0.0	0.0	9.7
West Venture Development Company	0.0	0.0	0.0	0.0
	3,204.0	1,977.4	(1,320.4)	3,861.0
	3A	3B	3C	3D

p3:

- 1) General Electric Company extracted, and subsequently injected, 1,320.440 AF of water. No extracted groundwater was discharged to the Ely Basins during the fiscal year.
- 2) NRG California South LP changed its name to GenOn California South, LP in March of 2019.



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Production Summary

	Percent of Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Safe Yield (AF)
Aqua Capital Management LP	0.000%	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	0.0	1,000.0
California Steel Industries, Inc.	21.974%	1,615.1	0.0	1,615.1
CalMat Co.	0.000%	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0
City of Ontario (Non-Ag)	40.352%	2,966.0	0.0	2,966.0
County of San Bernardino (Non-Ag)	1.821%	104.5	0.0	133.9
General Electric Company	0.000%	0.0	0.0	0.0
GenOn California South, LP	12.986%	954.5	0.0	954.5
Hamner Park Associates, a California Limited Partnership	6.316%	464.2	0.0	464.2
Monte Vista Water District (Non-Ag)	0.680%	50.0	0.0	50.0
Praxair, Inc.	0.014%	1.0	0.0	1.0
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0
Southern Service Company	0.256%	0.0	0.0	18.8
Space Center Mira Loma, Inc.	1.417%	0.0	0.0	104.1
TAMCO	0.579%	42.6	0.0	42.6
West Venture Development Company	0.000%	0.0	0.0	0.0
	100.00%	7,198.0	0.0	7,350.3
	4A	4B	4C	4D

p4:

1) NRG California South LP changed its name to GenOn California South, LP in March of 2019.

POOL 2

Water Transaction Activity	Other Adjustments	Annual Production Right	Actual Fiscal Year Production	Net Over Production	Under Production Balances		
					Total Under-Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(100.0)	0.0	1,900.0	388.6	0.0	1,511.4	1,000.0	511.4
(161.5)	0.0	3,068.8	1,418.8	0.0	1,649.9	1,615.1	34.8
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(296.6)	0.0	5,635.5	1,508.1	0.0	4,127.4	2,966.0	1,161.3
(13.4)	0.0	224.9	57.0	0.0	167.9	133.9	34.1
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(95.5)	0.0	1,813.6	18.2	0.0	1,795.5	954.5	840.9
(46.4)	0.0	882.1	303.6	0.0	578.5	464.2	114.2
(5.0)	0.0	95.0	15.0	0.0	80.0	50.0	30.0
(0.1)	0.0	1.9	0.0	0.0	1.9	1.0	0.9
0.0	0.0	0.0	25.6	25.6	0.0	0.0	0.0
(1.9)	0.0	16.9	22.7	5.8	0.0	0.0	0.0
(10.4)	0.0	93.7	93.7	0.0	0.0	0.0	0.0
(4.3)	0.0	81.0	9.7	0.0	71.3	42.6	28.7
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(735.0)	0.0	13,813.3	3,861.0	31.4	9,983.7	7,227.4	2,756.3
4E	4F	4G	4H	4I	4J	4K	4L

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Assessment Year 2019-2020 (Production Year 2018-2019)

Local Storage Accounts Summary

	Local Excess Carry Over Storage Account (ECO)					Local Supplemental Storage Account				Combined
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Under-Production	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Ending Balance	Ending Balance
Aqua Capital Management LP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	1,548.7	(1.1)	(80.9)	511.4	1,978.1	0.0	0.0	0.0	0.0	1,978.1
California Steel Industries, Inc.	1,941.0	(1.4)	0.0	34.8	1,974.5	0.0	0.0	0.0	0.0	1,974.5
CalMat Co.	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	3,404.0	(2.4)	(1,301.9)	1,161.3	3,261.0	0.0	0.0	0.0	0.0	3,261.0
County of San Bernardino (Non-Ag)	89.7	(0.1)	0.0	34.1	123.7	0.0	0.0	0.0	0.0	123.7
General Electric Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GenOn California South, LP	2,085.7	(1.5)	(135.0)	840.9	2,790.2	0.0	0.0	0.0	0.0	2,790.2
Hamner Park Associates, a California Limited Partnership	1,412.5	(1.0)	0.0	114.2	1,525.7	0.0	0.0	0.0	0.0	1,525.7
Monte Vista Water District (Non-Ag)	38.5	0.0	(2.6)	30.0	65.9	0.0	0.0	0.0	0.0	65.9
Praxair, Inc.	61.7	0.0	0.0	0.9	62.6	0.0	0.0	0.0	0.0	62.6
Riboli Family and San Antonio Winery, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Southern Service Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	188.4	(0.1)	0.0	28.7	216.9	0.0	0.0	0.0	0.0	216.9
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	10,775.2	(7.5)	(1,520.4)	2,756.3	12,003.6	0.0	0.0	0.0	0.0	12,003.6

5A 5B 5C 5D 5E 5F 5G 5H 5I 5J

p5:

- 1) A total of 200 AF was transferred pursuant to the Exhibit "G" Physical Solution: California Speedway Corporation (62.425 AF), GenOn California South, LP (134.974 AF), and Monte Vista Water District Non-Ag (2.601 AF).
- 2) California Speedway Corporation dedicated 18.478 AF to satisfy Arrowhead's 2019/20 DRO pursuant to an Exhibit "G" Paragraph Form A.
- 3) NRG California South LP changed its name to GenOn California South, LP in March of 2019.



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Transaction Summary

	Percent of Safe Yield	Assigned Share of Safe Yield (AF)	Water Transactions			Total Water Transactions
			10% of Operating Safe Yield ("Haircut")	Transfers (To) / From ECO Account	General Transfers / Exhibit G Water Sales	
Aqua Capital Management LP	0.000%	0.0	0.0	0.0	0.0	0.0
California Speedway Corporation	13.605%	1,000.0	(100.0)	80.9	(80.9)	(100.0)
California Steel Industries, Inc.	21.974%	1,615.1	(161.5)	0.0	0.0	(161.5)
CalMat Co.	0.000%	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.000%	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	40.352%	2,966.0	(296.6)	1,301.9	(1,301.9)	(296.6)
County of San Bernardino (Non-Ag)	1.821%	133.9	(13.4)	0.0	0.0	(13.4)
General Electric Company	0.000%	0.0	0.0	0.0	0.0	0.0
GenOn California South, LP	12.986%	954.5	(95.5)	135.0	(135.0)	(95.5)
Hamner Park Associates, a California Limited Pa	6.316%	464.2	(46.4)	0.0	0.0	(46.4)
Monte Vista Water District (Non-Ag)	0.680%	50.0	(5.0)	2.6	(2.6)	(5.0)
Praxair, Inc.	0.014%	1.0	(0.1)	0.0	0.0	(0.1)
Riboli Family and San Antonio Winery, Inc.	0.000%	0.0	0.0	0.0	0.0	0.0
Southern Service Company	0.256%	18.8	(1.9)	0.0	0.0	(1.9)
Space Center Mira Loma, Inc.	1.417%	104.1	(10.4)	0.0	0.0	(10.4)
TAMCO	0.579%	42.6	(4.3)	0.0	0.0	(4.3)
West Venture Development Company	0.000%	0.0	0.0	0.0	0.0	0.0
	100.000%	7,350.3	(735.0)	1,520.4	(1,520.4)	(735.0)
	6A	6B	6C	6D	6E	6F

p6:

- 1) Transfers in Column [6C] are the annual transfers of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2.
- 2) A total of 200 AF was transferred pursuant to the Exhibit "G" Physical Solution: California Speedway Corporation (62.425 AF), GenOn California South, LP (134.974 AF), and Monte Vista Water District Non-Ag (2.601 AF).
- 3) California Speedway Corporation dedicated 18.478 AF to satisfy Arrowhead's 2019/20 DRO pursuant to an Exhibit "G" Paragraph Form A.
- 4) NRG California South LP changed its name to GenOn California South, LP in March of 2019.



POOL 2

Assessment Year 2019-2020 (Production Year 2018-2019)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:	AF	Replenishment Rates
Appropriative - 100	0.5	2019 Rate \$743.00
Appropriative - 15/85	0.0	2018 Rate \$697.00
Non-Agricultural - 100	0.0	
	0.5	

Pool 2 Non-Agricultural

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)
Aqua Capital Management LP	0.0	\$0.00	\$0.00
California Speedway Corporation	0.0	\$0.00	\$0.00
California Steel Industries, Inc.	0.0	\$0.00	\$0.00
CalMat Co.	0.0	\$0.00	\$0.00
CCG Ontario, LLC	0.0	\$0.00	\$0.00
City of Ontario (Non-Ag)	0.0	\$0.00	\$0.00
County of San Bernardino (Non-Ag)	0.0	\$0.00	\$0.00
General Electric Company	0.0	(\$0.40)	\$0.40
GenOn California South, LP	0.0	\$0.00	\$0.00
Hamner Park Associates, a California Limited Partnership	0.0	\$0.00	\$0.00
Monte Vista Water District (Non-Ag)	0.0	\$0.00	\$0.00
Praxair, Inc.	0.0	\$0.00	\$0.00
Riboli Family and San Antonio Winery, Inc.	0.0	(\$330.84)	\$333.07
Southern Service Company	0.0	(\$217.55)	\$219.04
Space Center Mira Loma, Inc.	0.0	\$0.00	\$0.00
TAMCO	0.0	\$0.00	\$0.00
West Venture Development Company	0.0	\$0.00	\$0.00
Pool 2 Non-Agricultural Total	0.0	(\$548.79)	\$552.51

7A

7B

7C

p7:

1) The 2019 rate includes a \$10 surcharge from Three Valleys Municipal Water District.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Fee Summary

	AF Production and Exchanges	Appropriative Pool		Ag Pool SY Reallocation			Replenishment Assessments		
		\$23.09 AF/Admin	\$51.90 AF/OBMP	AF Total Realloc- ation	\$503,121 \$8.25 AF/Admin	\$1,130,772 \$18.53 AF/OBMP	\$111.45 AF/15%	\$631.55 AF/85%	\$743.00 AF/100%
Arrowhead Mtn Spring Water Co	285.4	6,590.23	14,813.04	0.0	0.00	0.00	0.00	0.00	51,656.33
CalMat Co. (Appropriative)	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Chino Hills, City Of	1,540.0	35,559.34	79,927.66	2,473.4	20,395.83	45,839.94	30.10	0.00	0.00
Chino, City Of	1,365.0	31,517.37	70,842.41	10,986.4	90,593.37	203,609.96	26.68	0.00	0.00
Cucamonga Valley Water District	9,623.8	222,213.54	499,475.22	2,647.4	21,830.60	49,064.60	188.08	0.00	0.00
Desalter Authority	31,199.2	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Fontana Union Water Company	0.0	0.00	0.00	3,618.5	29,838.29	67,062.01	0.00	0.00	0.00
Fontana Water Company	9,960.6	229,990.60	516,955.92	834.6	6,882.26	15,467.99	194.66	0.00	0.00
Fontana, City Of	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Golden State Water Company	0.0	0.97	2.18	232.8	1,919.77	4,314.71	0.00	0.00	0.00
Jurupa Community Services District	13,529.6	312,398.63	702,186.60	16,079.8	132,594.04	298,007.09	264.41	0.00	0.00
Marygold Mutual Water Company	949.8	21,931.21	49,295.35	370.9	3,058.83	6,874.76	0.00	0.00	0.00
Monte Vista Irrigation Company	0.0	0.00	0.00	383.1	3,158.65	7,099.12	0.00	0.00	0.00
Monte Vista Water District	6,483.1	149,695.26	336,473.98	2,798.4	23,075.13	51,861.71	126.70	0.00	0.00
NCL Co, LLC	0.0	0.00	0.00	0.0	0.00	0.00	0.00	0.00	0.00
Niagara Bottling, LLC	1,683.1	38,863.75	87,355.07	0.0	0.00	0.00	0.00	0.00	879,074.51
Nicholson Trust	0.0	0.00	0.00	2.2	17.92	40.27	0.00	0.00	0.00
Norco, City Of	0.0	0.00	0.00	114.2	941.96	2,117.07	0.00	0.00	0.00
Ontario, City Of	16,169.1	373,345.03	839,177.43	10,017.5	82,604.01	185,653.75	315.99	0.00	0.00
Pomona, City Of	10,839.5	250,284.59	562,571.24	6,349.3	52,355.88	117,670.63	0.00	0.00	0.00
San Antonio Water Company	376.2	8,686.87	19,525.71	853.0	7,034.02	15,809.07	7.35	0.00	0.00
San Bernardino, County of (Shooting Park)	10.8	248.43	558.39	0.0	0.00	0.00	0.21	6,794.85	0.00
Santa Ana River Water Company	0.0	0.00	0.00	736.6	6,074.14	13,651.73	0.00	0.00	0.00
Upland, City Of	2,298.0	53,059.73	119,263.76	1,614.8	13,315.50	29,926.79	44.91	0.00	0.00
West End Consolidated Water Co	0.0	0.00	0.00	536.4	4,423.14	9,941.08	0.00	0.00	0.00
West Valley Water District	0.0	0.00	0.00	364.7	3,007.64	6,759.71	0.00	0.00	0.00
	106,313.4	1,734,385.55	3,898,423.96	61,014.1	503,121.00	1,130,772.00	1,199.09	6,794.85	930,730.84
	8A	8B	8C	8D	8E	8F	8G	8H	8I

p8:

1) IEUA is collecting RTS charges for water purchased in FY 2016/17. This is the second of ten annual RTS charges.

2) "Other Adjustments" (column [8R]) include residual money from the preemptive purchase of water for Desalter Replenishment Obligation.

POOL 3

85/15 Activity		CURO Adjmt	ASSESSMENTS DUE							
15% Producer Credits	15% Pro-rated Debits		Total Production Based	Pomona Credit	Recharge Debt Payment	Recharge Imprvmnt Project	RTS Charges	Other Adjmts	DRO	Total Due
0.00	0.00	0.00	73,059.60	0.00	0.00	0.00	7,957.41	(144.34)	0.00	80,872.67
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	14,861.87	2.31	196,617.05	2,567.35	24,393.77	0.00	1.10	0.00	0.00	223,579.27
0.00	13,172.54	2.05	409,764.38	4,904.69	46,602.18	0.00	0.06	0.00	0.00	461,271.31
0.00	92,873.15	14.43	885,659.62	4,400.69	41,813.37	0.00	12.80	0.00	0.00	931,886.48
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	96,900.30	7,771.37	73,840.10	0.00	0.00	0.00	0.00	178,511.77
(592,110.00)	96,123.54	14.93	273,519.90	1.33	12.67	0.00	9.68	0.00	0.00	273,543.58
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.41	0.00	6,238.04	500.00	4,750.80	0.00	0.53	0.00	0.00	11,489.37
0.00	130,565.60	20.28	1,576,036.65	2,506.01	23,811.01	0.00	6.15	0.00	0.00	1,602,359.82
0.00	0.00	0.00	81,160.15	796.67	7,569.61	0.00	809.08	(840.54)	0.00	89,494.97
0.00	0.00	0.00	10,257.77	822.67	7,816.65	0.00	0.00	0.00	0.00	18,897.09
0.00	62,564.46	9.72	623,806.96	5,864.70	55,723.72	0.00	5.15	0.00	0.00	685,400.53
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	59,160.27	1,064,453.60	0.00	0.00	0.00	25,330.11	(599.84)	0.00	1,089,183.87
0.00	0.00	0.00	58.19	4.67	44.34	0.00	0.00	0.00	0.00	107.20
0.00	0.00	0.00	3,059.03	245.33	2,331.06	0.00	0.00	0.00	0.00	5,635.42
0.00	156,037.88	24.24	1,637,158.33	13,828.07	131,388.12	0.00	11.91	0.00	0.00	1,782,386.43
0.00	0.00	0.00	982,882.34	(53,030.93)	129,563.82	0.00	0.00	0.00	0.00	1,059,415.23
0.00	3,630.64	0.56	54,694.22	1,832.01	17,406.93	0.00	0.60	0.00	0.00	73,933.76
0.00	103.83	521.23	8,226.94	0.00	0.00	0.00	286.59	(7.97)	517.87	9,023.43
0.00	0.00	0.00	19,725.87	1,582.01	15,031.53	0.00	1,020.78	(1,269.91)	0.00	36,090.28
0.00	22,176.08	3.44	237,790.21	3,468.02	32,951.55	0.00	1.47	0.00	0.00	274,211.25
0.00	0.00	0.00	14,364.22	1,152.01	10,945.84	0.00	0.00	0.00	0.00	26,462.07
0.00	0.00	0.00	9,767.35	783.34	7,442.92	0.00	504.11	(625.02)	0.00	17,872.70
(592,110.00)	592,110.00	59,773.46	8,265,200.72	0.01	633,439.99	0.00	35,957.53	(3,487.62)	517.87	8,931,628.49
8J	8K	8L	8M	8N	8O	8P	8Q	8R	8S	8T

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Assessment Year 2019-2020 (Production Year 2018-2019)

Water Production Overview

	Physical Production	Voluntary Agreements (w/ Ag)	Assignments (w/ Non-Ag)	Other Adjustments	Actual FY Production (Assmnt Pkg Column 10)
Arrowhead Mtn Spring Water Co	285.4	0.0	0.0	0.0	285.4
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	1,608.4	(68.3)	0.0	0.0	1,540.0
Chino, City Of	4,315.0	(2,893.0)	(57.0)	0.0	1,365.0
Cucamonga Valley Water District	9,623.8	0.0	0.0	0.0	9,623.8
Desalter Authority	31,232.5	0.0	0.0	(33.3)	31,199.2
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	9,960.6	0.0	0.0	0.0	9,960.6
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	13,893.6	0.0	(397.3)	33.3	13,529.6
Marygold Mutual Water Company	949.8	0.0	0.0	0.0	949.8
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	6,631.0	(127.7)	(15.0)	(5.2)	6,483.1
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	1,683.1	0.0	0.0	0.0	1,683.1
Nicholson Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	20,722.5	(3,045.3)	(1,508.1)	0.0	16,169.1
Pomona, City Of	10,839.5	0.0	0.0	0.0	10,839.5
San Antonio Water Company	376.2	0.0	0.0	0.0	376.2
San Bernardino, County of (Shooting Park)	10.8	0.0	0.0	0.0	10.8
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	2,380.5	0.0	0.0	(82.6)	2,298.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	114,512.8	(6,134.3)	(1,977.4)	(87.8)	106,313.4

Less Desalter Authority Production **(31,199.2)**

Total Less Desalter Authority Production **75,114.1**

9A

9B

9C

9D

9E

p9:

Other Adj:

1) CDA provided 33.293 AF to JCSD for irrigation at Orchard Park.

2) Monte Vista Water District received credit of 5.310 AF minus evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.

3) City of Upland received credit of 85.897 AF minus evaporative losses due to Pump-to-Waste activities in which the water was recaptured into a recharge basin.



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Production Summary

	Percent of Operating Safe Yield	Carryover Beginning Balance	Prior Year Adjustments	Assigned Share of Operating Safe Yield	Net Ag Pool Reallocation	Water Transaction Activity	Other Adjustments
Arrowhead Mtn Spring Water Co	0.000%	0.0	0.0	0.0	0.0	215.9	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,726.6	0.0	1,726.6	2,473.4	0.0	0.0
Chino, City Of	7.357%	3,298.4	0.0	3,298.4	10,986.4	0.0	0.0
Cucamonga Valley Water District	6.601%	0.0	0.0	2,959.5	2,647.4	6,144.8	0.0
Desalter Authority	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	11.657%	0.0	0.0	5,226.3	3,618.5	(8,844.8)	0.0
Fontana Water Company	0.002%	0.9	0.0	0.9	834.6	9,124.2	0.0
Fontana, City Of	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.750%	0.0	0.0	336.3	232.8	0.0	0.0
Jurupa Community Services District	3.759%	1,685.3	0.0	1,685.3	16,079.8	0.0	0.0
Marygold Mutual Water Company	1.195%	408.8	0.0	535.8	370.9	0.0	0.0
Monte Vista Irrigation Company	1.234%	553.3	0.0	553.3	383.1	0.0	0.0
Monte Vista Water District	8.797%	3,944.0	0.0	3,944.0	2,798.4	0.0	0.0
NCL Co, LLC	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.0	0.0	0.0	500.0	0.0
Nicholson Trust	0.007%	0.0	0.0	3.1	2.2	0.0	0.0
Norco, City Of	0.368%	165.0	0.0	165.0	114.2	0.0	0.0
Ontario, City Of	20.742%	7,974.8	0.0	9,299.5	10,017.5	0.0	0.0
Pomona, City Of	20.454%	9,170.3	0.0	9,170.3	6,349.3	0.0	0.0
San Antonio Water Company	2.748%	956.6	0.0	1,232.0	853.0	0.0	0.0
San Bernardino, County of (Shooting P	0.000%	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	1,063.9	0.0	1,063.9	736.6	0.0	0.0
Upland, City Of	5.202%	2,332.3	0.0	2,332.3	1,614.8	0.0	0.0
West End Consolidated Water Co	1.728%	774.7	0.0	774.7	536.4	0.0	0.0
West Valley Water District	1.175%	526.8	0.0	526.8	364.7	0.0	0.0
	100.00%	34,581.7	0.0	44,834.0	61,014.1	7,140.1	0.0

Less Desalter Authority Production

Total Less Desalter Authority Production

10A

10B

10C

10D

10E

10F

10G

POOL 3

Annual Production Right	Actual Fiscal Year Production	Storage and Recovery Program(s)	Total Production and Exchanges	Net Over-Production		Under Production Balances		
				85/15%	100%	Total Under- Produced	Carryover: Next Year Begin Bal	To Excess Carryover Account
215.9	285.4	0.0	285.4	0.0	69.5	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5,926.5	1,540.0	0.0	1,540.0	0.0	0.0	4,386.5	1,726.6	2,660.0
17,583.2	1,365.0	0.0	1,365.0	0.0	0.0	16,218.3	3,298.4	12,919.8
11,751.7	9,623.8	0.0	9,623.8	0.0	0.0	2,127.9	2,127.9	0.0
0.0	31,199.2	0.0	31,199.2	0.0	31,199.2	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9,960.6	9,960.6	0.0	9,960.6	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
569.1	0.0	0.0	0.0	0.0	0.0	569.0	336.3	232.8
19,450.5	13,529.6	0.0	13,529.6	0.0	0.0	5,920.9	1,685.3	4,235.6
1,315.5	949.8	0.0	949.8	0.0	0.0	365.7	365.7	0.0
1,489.6	0.0	0.0	0.0	0.0	0.0	1,489.6	553.3	936.3
10,686.4	6,483.1	0.0	6,483.1	0.0	0.0	4,203.3	3,944.0	259.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
500.0	1,683.1	0.0	1,683.1	0.0	1,183.1	0.0	0.0	0.0
5.3	0.0	0.0	0.0	0.0	0.0	5.3	3.1	2.2
444.2	0.0	0.0	0.0	0.0	0.0	444.2	165.0	279.2
27,291.8	16,169.1	0.0	16,169.1	0.0	0.0	11,122.7	9,299.5	1,823.2
24,690.0	10,839.5	0.0	10,839.5	0.0	0.0	13,850.4	9,170.3	4,680.1
3,041.7	376.2	0.0	376.2	0.0	0.0	2,665.4	1,232.0	1,433.4
0.0	10.8	0.0	10.8	10.8	0.0	0.0	0.0	0.0
2,864.4	0.0	0.0	0.0	0.0	0.0	2,864.4	1,063.9	1,800.5
6,279.3	2,298.0	0.0	2,298.0	0.0	0.0	3,981.4	2,332.3	1,649.1
2,085.9	0.0	0.0	0.0	0.0	0.0	2,085.9	774.7	1,311.1
1,418.3	0.0	0.0	0.0	0.0	0.0	1,418.3	526.8	891.5
147,569.9	106,313.4	0.0	106,313.4	10.8	32,451.9	73,719.2	38,605.2	35,114.1
	(31,199.2)		(31,199.2)		(31,199.2)			
	75,114.1		75,114.1		1,252.7			
10H	10I	10J	10K	10L	10M	10N	10O	10P

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Assessment Year 2019-2020 (Production Year 2018-2019)

Local Excess Carry Over Storage Account Summary

	Excess Carry Over Account (ECO)					
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	From Supplemental Storage	From Under-Production	Ending Balance
Arrowhead Mtn Spring Water Co	216.0	(0.2)	(215.9)	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.4	0.0	0.0	0.0	0.0	0.4
Chino Hills, City Of	6,525.8	(4.6)	0.0	0.0	2,660.0	9,181.2
Chino, City Of	96,288.5	(67.4)	(1,456.4)	0.0	12,919.8	107,684.5
Cucamonga Valley Water District	16,697.2	(11.7)	(601.8)	0.0	0.0	16,083.7
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	5,017.5	(3.5)	(1,624.2)	0.0	0.0	3,389.8
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	443.9	(0.3)	(85.5)	0.0	232.8	590.8
Jurupa Community Services District	23,375.9	(16.4)	200.0	0.0	4,235.6	27,795.0
Marygold Mutual Water Company	614.9	(0.4)	0.0	0.0	0.0	614.5
Monte Vista Irrigation Company	8,585.4	(6.0)	(140.7)	0.0	936.3	9,375.0
Monte Vista Water District	8,452.7	(5.9)	(1,452.3)	500.0	259.3	7,753.8
NCL Co, LLC	4.0	0.0	0.0	0.0	0.0	4.0
Niagara Bottling, LLC	0.0	0.0	(500.0)	500.0	0.0	0.0
Nicholson Trust	0.0	0.0	(0.8)	0.0	2.2	1.4
Norco, City Of	1,914.0	(1.3)	(42.0)	0.0	279.2	2,150.0
Ontario, City Of	31,635.2	(22.1)	0.0	0.0	1,823.2	33,436.3
Pomona, City Of	23,189.6	(16.2)	(3,800.0)	0.0	4,680.1	24,053.4
San Antonio Water Company	0.0	0.0	0.0	0.0	1,433.4	1,433.4
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	4,607.2	(3.2)	(270.6)	0.0	1,800.5	6,133.9
Upland, City Of	15,419.7	(10.8)	0.0	0.0	1,649.1	17,058.0
West End Consolidated Water Co	3,381.1	(2.4)	0.0	0.0	1,311.1	4,689.8
West Valley Water District	7,852.4	(5.5)	(1,134.0)	0.0	891.5	7,604.4
	254,221.3	(177.9)	(11,124.2)	1,000.0	35,114.1	279,033.2
	11A	11B	11C	11D	11E	11F

p11:

1) In August 2019, Arrowhead Mtn Spring Water Co transferred 215.891 AF from their Excess Carry Over Storage Account to offset their Production Year 2018/2019 overproduction obligations.

2) In August 2019, Niagara Bottling, LLC transferred 500.000 AF from their Supplemental Storage Account to offset their Production Year 2018/2019 overproduction obligations.



Assessment Year 2019-2020 (Production Year 2018-2019)

Local Supplemental Storage Account Summary

	Recharged Recycled Account					Beginning Balance
	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	
Arrowhead Mtn Spring Water Co	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	8,985.3	(6.3)	983.4	0.0	9,962.4	4,796.1
Chino, City Of	7,322.3	(5.1)	1,197.4	0.0	8,514.5	1,053.2
Cucamonga Valley Water District	24,058.7	(16.8)	2,739.9	0.0	26,781.8	10,708.4
Desalter Authority	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	44.1	0.0	0.0	0.0	44.1	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	1,390.9
Jurupa Community Services District	4,839.2	(3.4)	0.0	0.0	4,835.8	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0	751.7
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	5,457.7
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0	3,381.2
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0	0.0
Nicholson Trust	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	39,062.3	(27.3)	4,700.7	0.0	43,735.6	8,061.4
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	10,927.4
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0	0.0
Upland, City Of	9,842.6	(6.9)	1,047.0	0.0	10,882.7	5,811.3
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0
	94,154.4	(65.9)	10,668.4	0.0	104,756.9	52,339.4
	12A	12B	12C	12D	12E	12F

p12:

1) MVWD injected 501.647 AF of water in FY 2018/19, 500 AF of it was sold to Watermaster to go towards Production Year 2017/18 replenishment obligations.

POOL 3

Quantified (Pre 7/1/2000) Account				New (Post 7/1/2000) Account					Combined
0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Beginning Balance	0.07% Storage Loss	Transfers To / (From)	Transfer to ECO Account	Ending Balance	Ending Balance
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(3.4)	0.0	0.0	4,792.8	0.0	0.0	0.0	0.0	0.0	14,755.2
(0.7)	0.0	0.0	1,052.5	1,929.3	(1.4)	0.0	0.0	1,928.0	11,495.0
(7.5)	0.0	0.0	10,700.9	638.8	(0.4)	0.0	0.0	638.4	38,121.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	310.5	(0.2)	0.0	0.0	310.3	310.3
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.1
(1.0)	0.0	0.0	1,390.0	57.3	0.0	0.0	0.0	57.2	1,447.2
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,835.8
(0.5)	(197.8)	0.0	553.5	0.0	0.0	0.0	0.0	0.0	553.5
(3.8)	0.0	0.0	5,453.9	0.0	0.0	0.0	0.0	0.0	5,453.9
(2.4)	0.0	0.0	3,378.9	0.0	0.0	501.6	(500.0)	1.6	3,380.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	718.6	(0.5)	(109.0)	(500.0)	109.1	109.1
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	96.5	(0.1)	0.0	0.0	96.4	96.4
(5.6)	0.0	0.0	8,055.7	0.0	0.0	0.0	0.0	0.0	51,791.4
(7.6)	0.0	0.0	10,919.7	1,562.0	(1.1)	0.0	0.0	1,560.9	12,480.6
0.0	0.0	0.0	0.0	1,968.4	(1.4)	1,632.4	0.0	3,599.5	3,599.5
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	481.8	(0.3)	0.0	0.0	481.4	481.4
(4.1)	0.0	0.0	5,807.2	0.0	0.0	0.0	0.0	0.0	16,690.0
0.0	0.0	0.0	0.0	453.2	(0.3)	0.0	0.0	452.8	452.8
0.0	0.0	0.0	0.0	308.1	(0.2)	0.0	0.0	307.9	307.9
(36.6)	(197.8)	0.0	52,105.0	8,524.5	(6.0)	2,025.1	(1,000.0)	9,543.6	166,405.6
12G	12H	12I	12J	12K	12L	12M	12N	12O	12P



Assessment Year 2019-2020 (Production Year 2018-2019)

Other Storage and Replenishment Accounts

DESALTER REPLENISHMENT

	Beginning Balance	Water Purchases	Transfers To	Transfers From	Ending Balance
CONTROLLED OVERDRAFT AND OFFSETS					
Re-Op Offset Pre-Peace II / CDA	1,286.7	0.0	0.0	0.0	1,286.7
Re-Op Offset Peace II Expansion	112,500.0	0.0	0.0	(12,500.0)	100,000.0
Non-Ag OBMP Special Assessment	0.0	0.0	735.0	(735.0)	0.0
Non-Ag Dedication	0.0	0.0	0.0	0.0	0.0
	113,786.7		735.0	(13,235.0)	101,286.7

PREEMPTIVE REPLENISHMENT

Arrowhead Mtn Spring Water Co	0.0	0.0	18.5	(18.5)	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	1,929.5	0.0	0.0	(605.0)	1,324.5
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	3,880.3	0.0	0.0	(1,405.7)	2,474.6
Fontana Union Water Company	727.4	0.0	0.0	(727.4)	0.0
Fontana Water Company	2,290.9	0.0	0.0	(686.8)	1,604.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	3,025.3	0.0	0.0	(2,050.9)	974.4
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	0.0	0.0	0.0
Nicholson Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	2,387.7	0.0	1,301.9	(3,689.6)	0.0
Pomona, City Of	3,266.4	0.0	0.0	(3,034.1)	232.4
San Antonio Water Company	1,046.9	0.0	0.0	(337.7)	709.2
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	1,850.0	0.0	0.0	(741.9)	1,108.1
West End Consolidated Water Co	511.4	0.0	0.0	(197.0)	314.3
West Valley Water District	0.0	0.0	0.0	0.0	0.0
	20,915.8	0.0	1,320.4	(13,494.6)	8,741.6

13A

13B

13C

13D

13E

STORAGE AND RECOVERY

	Beginning Balance	Storage Loss	Transfers To	Transfers From	Ending Balance
METROPOLITAN WATER DISTRICT					
Dry Year Yield / Conjunctive Use Program	41,380.0	(29.0)	4,617.4	0.0	45,968.5

13F

13G

13H

13I

13J

p13: The 2011 Preemptive Replenishment accounts were depleted and have been removed from this Assessment Package.



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Transaction Summary

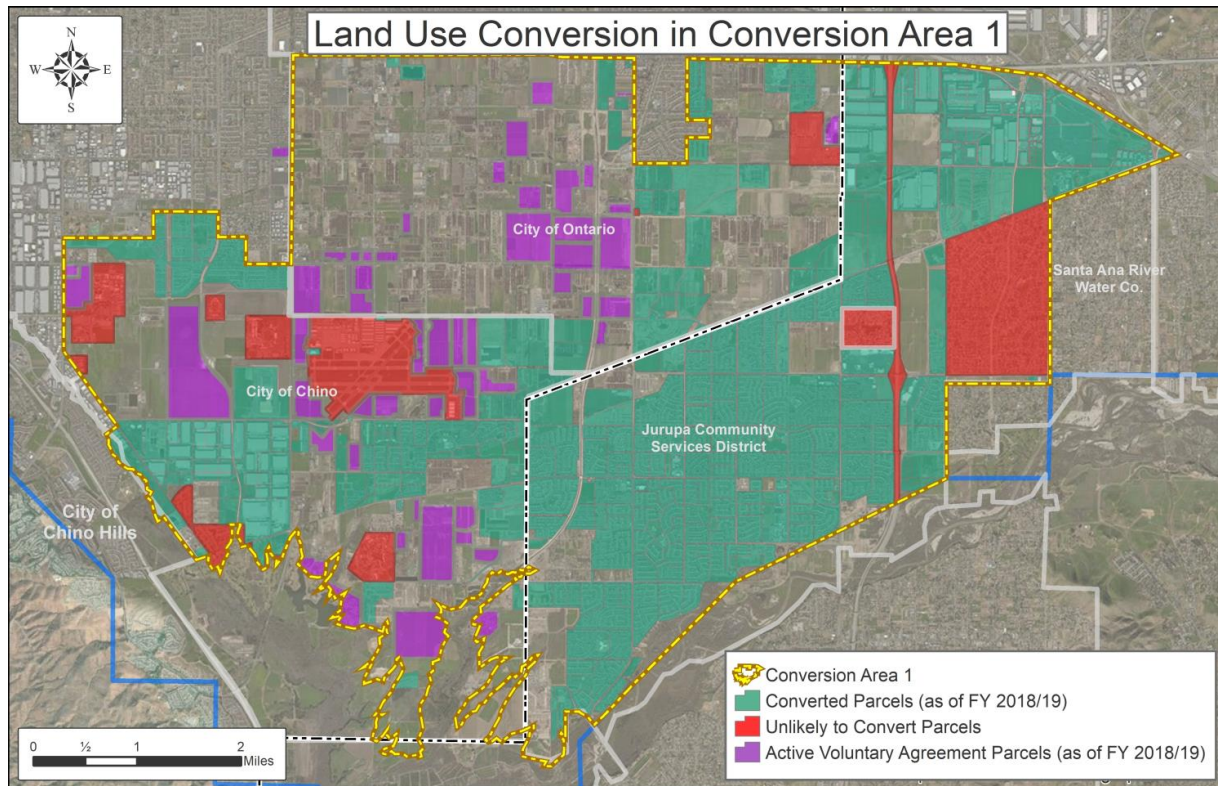
	Water Transactions				Total Water Transactions
	Assigned Rights	General Transfer	Transfers (To) / From ECO Account	Transfers (To) Desalter Replenishment	
Arrowhead Mtn Spring Water Co	0.0	18.5	215.9	(18.5)	215.9
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	(2,700.0)	8,844.8	0.0	0.0	6,144.8
Desalter Authority	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	(8,844.8)	0.0	0.0	(8,844.8)
Fontana Water Company	7,500.0	0.0	1,624.2	0.0	9,124.2
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	200.0	0.0	(200.0)	0.0	0.0
Marygold Mutual Water Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	(500.0)	0.0	500.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	0.0	500.0	0.0	500.0
Nicholson Trust	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	1,301.9	0.0	(1,301.9)	0.0
Pomona, City Of	(3,800.0)	0.0	3,800.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	0.0	0.0	0.0	0.0
Santa Ana River Water Company	0.0	0.0	0.0	0.0	0.0
Upland, City Of	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0
West Valley Water District	(1,000.0)	0.0	1,000.0	0.0	0.0
	(300.0)	1,320.4	7,440.1	(1,320.4)	7,140.1
	14A	14B	14C	14D	14E



Assessment Year 2019-2020 (Production Year 2018-2019)

Land Use Conversion Summary

	Prior Conversion	Conversion @ 1.3 af/ac		Total Prior to Peace Agrmt Converted AF	Conversion @ 2.0 af/ac		Total Land Use Conversion Acre-Feet
		Acres	Acre-Feet		Acres	Acre-Feet	
Chino Hills, City Of	0.0	670.266	871.3	871.3	203.334	406.7	1,278.0
Chino, City Of	196.2	1,454.750	1,891.2	2,087.4	3,307.614	6,615.2	8,702.6
Cucamonga Valley Water District	0.0	460.280	598.4	598.4	0.000	0.0	598.4
Fontana Water Company	0.0	0.000	0.0	0.0	417.000	834.0	834.0
Jurupa Community Services District	0.0	2,756.920	3,584.0	3,584.0	5,664.498	11,329.0	14,913.0
Monte Vista Water District	0.0	28.150	36.6	36.6	15.510	31.0	67.6
Ontario, City Of	209.4	527.044	685.2	894.6	1,342.136	2,684.3	3,578.8
	405.6	5,897.410	7,666.6	8,072.3	10,950.092	21,900.2	29,972.5
	15A	15B	15C	15D	15E	15F	15G





Assessment Year 2019-2020 (Production Year 2018-2019)

Cumulative Unmet Replenishment Obligation (CURO)

Remaining Replenishment Obligation:	AF	Replenishment Rates
Appropriative - 100	0.5	2019 Rate \$743.00
Appropriative - 15/85	0.0	2018 Rate \$697.00
Non-Agricultural - 100	0.0	
	0.5	

Pool 3 Appropriative

Company	Outstanding Obligation (AF)	Fund Balance (\$)	Outstanding Obligation (\$)	AF Production and Exchanges
Arrowhead Mtn Spring Water Co	0.0	\$0.00	\$0.00	285.4
CalMat Co. (Appropriative)	0.0	\$0.00	\$0.00	0.0
Chino Hills, City Of	0.0	\$0.00	\$0.00	1,540.0
Chino, City Of	0.0	\$0.00	\$0.00	1,365.0
Cucamonga Valley Water District	0.0	\$0.00	\$0.00	9,623.8
Desalter Authority	0.0	\$0.00	\$0.00	31,199.2
Fontana Union Water Company	0.0	\$0.00	\$0.00	0.0
Fontana Water Company	0.0	\$0.00	\$0.00	9,960.6
Fontana, City Of	0.0	\$0.00	\$0.00	0.0
Golden State Water Company	0.0	\$0.00	\$0.00	0.0
Jurupa Community Services District	0.0	\$0.00	\$0.00	13,529.6
Marygold Mutual Water Company	0.0	\$0.00	\$0.00	949.8
Monte Vista Irrigation Company	0.0	\$0.00	\$0.00	0.0
Monte Vista Water District	0.0	\$0.00	\$0.00	6,483.1
NCL Co, LLC	0.0	\$0.00	\$0.00	0.0
Niagara Bottling, LLC	0.5	(\$58,767.22)	\$59,160.27	1,683.1
Nicholson Trust	0.0	\$0.00	\$0.00	0.0
Norco, City Of	0.0	\$0.00	\$0.00	0.0
Ontario, City Of	0.0	\$0.00	\$0.00	16,169.1
Pomona, City Of	0.0	\$0.00	\$0.00	10,839.5
San Antonio Water Company	0.0	\$0.00	\$0.00	376.2
San Bernardino, County of (Shooting Park)	0.0	(\$609.47)	\$613.19	10.8
Santa Ana River Water Company	0.0	\$0.00	\$0.00	0.0
Upland, City Of	0.0	\$0.00	\$0.00	2,298.0
West End Consolidated Water Co	0.0	\$0.00	\$0.00	0.0
West Valley Water District	0.0	\$0.00	\$0.00	0.0
Pool 3 Appropriative Total	0.5	(\$59,376.69)	\$59,773.46	106,313.4
	17A	17B	17C	17D

p17:

1) The 2019 rate includes a \$10 surcharge from Three Valleys Municipal Water District.

POOL 3

85/15 Producers	Percent	15%	85%	100%	Total
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
1,540.0	2.510%	\$2.31	\$0.00	xxxxxxxxxx	\$2.31
1,365.0	2.225%	\$2.05	\$0.00	xxxxxxxxxx	\$2.05
9,623.8	15.685%	\$14.43	\$0.00	xxxxxxxxxx	\$14.43
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
9,960.6	16.234%	\$14.93	\$0.00	xxxxxxxxxx	\$14.93
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
13,529.6	22.051%	\$20.28	\$0.00	xxxxxxxxxx	\$20.28
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
6,483.1	10.566%	\$9.72	\$0.00	xxxxxxxxxx	\$9.72
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$59,160.27	\$59,160.27
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
16,169.1	26.353%	\$24.24	\$0.00	xxxxxxxxxx	\$24.24
xxxxxxxxxx	0.000%	xxxxxxxxxx	xxxxxxxxxx	\$0.00	\$0.00
376.2	0.613%	\$0.56	\$0.00	xxxxxxxxxx	\$0.56
10.8	0.018%	\$0.02	\$521.21	xxxxxxxxxx	\$521.23
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
2,298.0	3.745%	\$3.44	\$0.00	xxxxxxxxxx	\$3.44
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
0.0	0.000%	\$0.00	\$0.00	xxxxxxxxxx	\$0.00
61,356.2	100.000%	\$91.98	\$521.21	\$59,160.27	\$59,773.46
17E	17F	17G	17H	17I	17J

POOL 3

Desalter Replenishment						Remaining Desalter Replenishment Obligation ^{4,7} PIIA, 6.2(b)(iii)
Safe Yield Contributed by Parties PIIA, 6.2(a)(v)	Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi)			Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii)	Non-Ag OBMP Assessment (10% Haircut) ⁶ PIIA, 6.2(b)(i)	
	Allocation to Pre-Peace II Desalters ⁴	Allocation to All Desalters ⁵	Balance			
0.0	0.0	0.0	0.0	0.0	0.0	3,994.5
0.0	0.0	0.0	0.0	0.0	0.0	4,728.9
0.0	0.0	0.0	0.0	0.0	0.0	5,219.3
0.0	0.0	0.0	0.0	0.0	0.0	5,302.5
0.0	0.0	0.0	0.0	0.0	0.0	4,926.8
0.0	0.0	0.0	400,000.0	0.0	0.0	4,896.7
0.0	21,474.7	0.0	378,525.3	0.0	0.0	0.0
0.0	26,972.1	0.0	351,553.2	0.0	0.0	0.0
0.0	61,989.1	0.0	289,564.1	0.0	0.0	(29,068.6)
0.0	28,516.7	0.0	261,047.4	0.0	0.0	0.0
0.0	29,318.7	0.0	231,728.7	0.0	0.0	0.0
0.0	28,378.9	0.0	203,349.7	0.0	0.0	0.0
0.0	27,061.7	0.0	176,288.1	0.0	0.0	0.0
0.0	0.0	12,500.0	163,788.1	10,000.0	0.0	6,742.6
0.0	0.0	12,500.0	151,288.1	10,000.0	0.0	7,490.0
0.0	0.0	12,500.0	138,788.1	10,000.0	0.0	5,662.9
0.0	0.0	12,500.0	126,288.1	10,000.0	735.0	5,017.8
0.0	0.0	12,500.0	113,788.1	10,000.0	735.0	6,817.3
0.0	0.0	12,500.0	101,288.1	10,000.0	735.0	7,964.2
0.0	0.0	12,500.0	88,788.1	10,000.0	735.0	16,765.0
0.0	0.0	12,500.0	76,288.1	10,000.0	735.0	16,765.0
0.0	0.0	12,500.0	63,788.1	10,000.0	735.0	16,765.0
0.0	0.0	12,500.0	51,288.1	10,000.0	735.0	16,765.0
0.0	0.0	12,500.0	38,788.1	10,000.0	735.0	16,765.0
0.0	0.0	12,500.0	26,288.1	10,000.0	735.0	16,765.0
0.0	0.0	5,000.0	21,288.1	10,000.0	735.0	24,265.0
0.0	0.0	5,000.0	16,288.1	10,000.0	735.0	24,265.0
0.0	0.0	5,000.0	11,288.1	10,000.0	735.0	24,265.0
0.0	0.0	5,000.0	6,288.1	10,000.0	735.0	24,265.0
0.0	0.0	5,000.0	1,288.1	10,000.0	735.0	24,265.0
0.0	223,711.9	175,000.0		170,000.0	10,290.5	261,609.7
18G	18H	18I	18J	18K	18L	18M

15, 2019 Court Order.

med to have been dedicated as of June 30, 2007.

alter production was being offset by Desalter Induced Recharge. Condition Subsequent 7 included an adjustment of 29,070 AF against Desalter replenishment in

een amended to be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30.

en members of the Appropriative Pool, per PIIA 9.2(a). In the eleventh year and in each year thereafter, it is dedicated to Watermaster to further offset desalter
distributed pro rata among the members of the Appropriative Pool based upon each Producer's combined total share of OSY and the previous year's actual

sessed against the Appropriative Pool, pro-rata based on each Producer's combined total share of OSY and their Adjusted Physical Production.

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POOL 3

Assessment Year 2019-2020 (Production Year 2018-2019)

Desalter Replenishment Obligation Contribution

	Percent of Operating Safe Yield	Land Use Conversions	Percent of Land Use Conversions	85% DROC Based on % OSY	15% DROC Based on % of LUC	Total DRO Contribution
Arrowhead Mtn Spring Water Co	0.000%	0.0	0.000%	0.0	0.0	0.0
CalMat Co. (Appropriative)	0.000%	0.0	0.000%	0.0	0.0	0.0
Chino Hills, City Of	3.851%	1,278.0	4.264%	327.3	64.0	391.3
Chino, City Of	7.357%	8,702.6	29.035%	625.3	435.5	1,060.9
Cucamonga Valley Water District	6.601%	598.4	1.996%	561.1	29.9	591.0
Fontana Union Water Company	11.657%	0.0	0.000%	990.8	0.0	990.8
Fontana Water Company	0.002%	834.0	2.783%	0.2	41.7	41.9
Fontana, City Of	0.000%	0.0	0.000%	0.0	0.0	0.0
Golden State Water Company	0.750%	0.0	0.000%	63.8	0.0	63.8
Jurupa Community Services District	3.759%	14,913.0	49.756%	319.5	746.3	1,065.8
Marygold Mutual Water Company	1.195%	0.0	0.000%	101.6	0.0	101.6
Monte Vista Irrigation Company	1.234%	0.0	0.000%	104.9	0.0	104.9
Monte Vista Water District	8.797%	67.6	0.226%	747.7	3.4	751.1
NCL Co, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Niagara Bottling, LLC	0.000%	0.0	0.000%	0.0	0.0	0.0
Nicholson Trust	0.007%	0.0	0.000%	0.6	0.0	0.6
Norco, City Of	0.368%	0.0	0.000%	31.3	0.0	31.3
Ontario, City Of	20.742%	3,578.8	11.940%	1,763.1	179.1	1,942.2
Pomona, City Of	20.454%	0.0	0.000%	1,738.6	0.0	1,738.6
San Antonio Water Company	2.748%	0.0	0.000%	233.6	0.0	233.6
San Bernardino, County of (Shooting Park)	0.000%	0.0	0.000%	0.0	0.0	0.0
Santa Ana River Water Company	2.373%	0.0	0.000%	201.7	0.0	201.7
Upland, City Of	5.202%	0.0	0.000%	442.2	0.0	442.2
West End Consolidated Water Co	1.728%	0.0	0.000%	146.9	0.0	146.9
West Valley Water District	1.175%	0.0	0.000%	99.9	0.0	99.9
	100.000%	29,972.5	100.000%	8,500.0	1,500.0	10,000.0
	19A	19B	19C	19D	19E	19F

p19:
Section 6.2(b)(ii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "The members of the Appropriative Pool will contribute a total of 10,000 afy toward Desalter replenishment, allocated among the Appropriative Pool members as follows: 1) 85% of the total (8,500 afy) will be allocated according to the Operating Safe Yield percentage of each Appropriative Pool members; and 2) 15% of the total (1,500 afy) will be allocated according to each land use conversion agency's percentage of the total land use conversion claims. The formula is to be adjusted annually based on the actual land use conversion allocations of the year."



Assessment Year 2019-2020 (Production Year 2018-2019)

Remaining Desalter Replenishment Obligation (RDRO)

	Assigned Share of Operating Safe Yield	CALCULATING THE ADJUSTED		
		Physical Production	50% of Voluntary Agreements with Ag	Assignments with Non-Ag
Arrowhead Mtn Spring Water Co	0.0	285.4	0.0	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0
Chino Hills, City Of	1,726.6	1,608.4	(34.2)	0.0
Chino, City Of	3,298.4	4,315.0	(1,446.5)	(57.0)
Cucamonga Valley Water District	2,959.5	9,623.8	0.0	0.0
Fontana Union Water Company	5,226.3	0.0	0.0	0.0
Fontana Water Company	0.9	9,960.6	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0
Golden State Water Company	336.3	0.0	0.0	0.0
Jurupa Community Services District	1,685.3	13,893.6	0.0	(397.3)
Marygold Mutual Water Company	535.8	949.8	0.0	0.0
Monte Vista Irrigation Company	553.3	0.0	0.0	0.0
Monte Vista Water District	3,944.0	6,631.0	(63.8)	(15.0)
NCL Co, LLC	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	1,683.1	0.0	0.0
Nicholson Trust	3.1	0.0	0.0	0.0
Norco, City Of	165.0	0.0	0.0	0.0
Ontario, City Of	9,299.5	20,722.5	(1,522.6)	(1,508.1)
Pomona, City Of	9,170.3	10,839.5	0.0	0.0
San Antonio Water Company	1,232.0	376.2	0.0	0.0
San Bernardino, County of (Shooting Park)	0.0	10.8	0.0	0.0
Santa Ana River Water Company	1,063.9	0.0	0.0	0.0
Upland, City Of	2,332.3	2,380.5	0.0	0.0
West End Consolidated Water Co	774.7	0.0	0.0	0.0
West Valley Water District	526.8	0.0	0.0	0.0
	44,834.0	83,280.3	(3,067.1)	(1,977.4)
	20A	20B	20C	20D

p20:

Section 6.2(b)(iii) of the Peace II Agreement as the amendment is shown in the March 15, 2019 Court Order states: "A Replenishment Assessment against the Appro member according to the combined total of the member's share of Operating Safe Yield and the member's Adjusted Physical Production."

POOL 3

PHYSICAL PRODUCTION			ALLOCATING THE RDRO		
Storage and Recovery Programs	Other Adjustments	Total Adjusted Physical Production	Total Production and OSY Basis (20A+20G)	Percentage (20H) / Sum(20H)	Total Remaining Desalter Replenishment Obligation
0.0	0.0	285.4	285.4	0.232%	18.5
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	1,574.2	3,300.8	2.683%	213.7
0.0	0.0	2,811.5	6,109.9	4.967%	395.6
0.0	0.0	9,623.8	12,583.3	10.229%	814.7
0.0	0.0	0.0	5,226.3	4.248%	338.4
0.0	0.0	9,960.6	9,961.5	8.098%	644.9
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	0.0	336.3	0.273%	21.8
0.0	33.3	13,529.6	15,214.9	12.368%	985.0
0.0	0.0	949.8	1,485.6	1.208%	96.2
0.0	0.0	0.0	553.3	0.450%	35.8
0.0	(5.2)	6,547.0	10,491.0	8.528%	679.2
0.0	0.0	0.0	0.0	0.000%	0.0
0.0	0.0	1,683.1	1,683.1	1.368%	109.0
0.0	0.0	0.0	3.1	0.003%	0.2
0.0	0.0	0.0	165.0	0.134%	10.7
0.0	0.0	17,691.8	26,991.2	21.941%	1,747.5
0.0	0.0	10,839.5	20,009.9	16.266%	1,295.5
0.0	0.0	376.2	1,608.3	1.307%	104.1
0.0	0.0	10.8	10.8	0.009%	0.7
0.0	0.0	0.0	1,063.9	0.865%	68.9
0.0	(82.6)	2,298.0	4,630.2	3.764%	299.8
0.0	0.0	0.0	774.7	0.630%	50.2
0.0	0.0	0.0	526.8	0.428%	34.1
0.0	(54.5)	78,181.3	123,015.3	100.000%	7,964.2
20E	20F	20G	20H	20I	20J

priative Pool for any remaining Desalter replenishment obligation after applying both 6(b)(i) and 6(b)(ii), allocated pro-rata to each Appropriate Pool



Assessment Year 2019-2020 (Production Year 2018-2019)

Desalter Replenishment Summary

	Desalter Replenishment Obligation in AF			Transfer from Preemptive Replenishment Account	Transfer from Excess Carry Over Storage Account
	Desalter Replenishment Obligation Contribution	Remaining Desalter Replenishment Obligation	Total Desalter Replenishment Obligation		
Arrowhead Mtn Spring Water Co	0.0	(18.5)	(18.5)	18.5	0.0
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	(391.3)	(213.7)	(605.0)	605.0	0.0
Chino, City Of	(1,060.9)	(395.6)	(1,456.4)	0.0	1,456.4
Cucamonga Valley Water District	(591.0)	(814.7)	(1,405.7)	1,405.7	0.0
Fontana Union Water Company	(990.8)	(338.4)	(1,329.2)	727.4	601.8
Fontana Water Company	(41.9)	(644.9)	(686.8)	686.8	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	(63.8)	(21.8)	(85.5)	0.0	85.5
Jurupa Community Services District	(1,065.9)	(985.0)	(2,050.9)	2,050.9	0.0
Marygold Mutual Water Company	(101.6)	(96.2)	(197.8)	0.0	0.0
Monte Vista Irrigation Company	(104.9)	(35.8)	(140.7)	0.0	140.7
Monte Vista Water District	(751.1)	(679.2)	(1,430.3)	0.0	952.3
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	0.0	(109.0)	(109.0)	0.0	0.0
Nicholson Trust	(0.6)	(0.2)	(0.8)	0.0	0.8
Norco, City Of	(31.3)	(10.7)	(42.0)	0.0	42.0
Ontario, City Of	(1,942.2)	(1,747.5)	(3,689.6)	3,689.6	0.0
Pomona, City Of	(1,738.6)	(1,295.5)	(3,034.1)	3,034.1	0.0
San Antonio Water Company	(233.6)	(104.1)	(337.7)	337.7	0.0
San Bernardino, County of (Shooting Park)	0.0	(0.7)	(0.7)	0.0	0.0
Santa Ana River Water Company	(201.7)	(68.9)	(270.6)	0.0	270.6
Upland, City Of	(442.2)	(299.8)	(741.9)	741.9	0.0
West End Consolidated Water Co	(146.9)	(50.2)	(197.0)	197.0	0.0
West Valley Water District	(99.9)	(34.1)	(134.0)	0.0	134.0
	(10,000.0)	(7,964.2)	(17,964.2)	13,494.6	3,684.1
	21A	21B	21C	21D	21E

p21:

- 1) Water held in a Preemptive Replenishment Account is utilized first to satisfy new or carried over Desalter Replenishment Obligation beginning with the fiscal year
- 2) The "Carry Over DRO Balance" column has been removed beginning with this Assessment Package. Residual DRO balances are no longer carried over to the pr
- 3) Cucamonga Valley Water District transferred 601.805 AF from their Excess Carry Over storage account to satisfy a portion of Fontana Union Water Company's E
- 4) California Speedway dedicated 18.478 AF to satisfy Arrowhead's 2019/20 DRO pursuant to an Exhibit "G" Paragraph Form A.
- 5) City of Ontario (Non-Ag) transferred 1,301.938 AF from their ECO storage account through Exhibit "G" Paragraph 10 Form A to satisfy City of Ontario's 2019/20 I

POOL 3

Total DRO Fulfillment Activity					Assessments	
Transfer from Recharged Recycle Storage Account	Transfer from Quantified Storage Account	Transfer from Post 7/1/2000 Storage Account	Replenishment Water Purchase	Total Transfers and Water Purchases	Residual DRO (AF)	Assessments Due On Residual DRO (\$)
0.0	0.0	0.0	0.0	18.5	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	0.0	0.0	0.0	605.0	0.0	0.00
0.0	0.0	0.0	0.0	1,456.4	0.0	0.00
0.0	0.0	0.0	0.0	1,405.7	0.0	0.00
0.0	0.0	0.0	0.0	1,329.2	0.0	0.00
0.0	0.0	0.0	0.0	686.8	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	0.0	0.0	0.0	85.5	0.0	0.00
0.0	0.0	0.0	0.0	2,050.9	0.0	0.00
0.0	197.8	0.0	0.0	197.8	0.0	0.00
0.0	0.0	0.0	0.0	140.7	0.0	0.00
478.0	0.0	0.0	0.0	1,430.3	0.0	0.00
0.0	0.0	0.0	0.0	0.0	0.0	0.00
0.0	0.0	109.0	0.0	109.0	0.0	0.00
0.0	0.0	0.0	0.0	0.8	0.0	0.00
0.0	0.0	0.0	0.0	42.0	0.0	0.00
0.0	0.0	0.0	0.0	3,689.6	0.0	0.00
0.0	0.0	0.0	0.0	3,034.1	0.0	0.00
0.0	0.0	0.0	0.0	337.7	0.0	0.00
0.0	0.0	0.0	0.0	0.0	(0.7)	517.87
0.0	0.0	0.0	0.0	270.6	0.0	0.00
0.0	0.0	0.0	0.0	741.9	0.0	0.00
0.0	0.0	0.0	0.0	197.0	0.0	0.00
0.0	0.0	0.0	0.0	134.0	0.0	0.00
478.0	197.8	109.0	0.0	17,963.5	(0.7)	517.87
21F	21G	21H	21I	21J	21K	21L

* such water was made available.
preceding year, it was only allowed during the revision process of the previous five Assessment Packages.
DRO.

DRO.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Calculation - Includes "10% Administrative

PRODUCTION BASIS

2017/2018 Production and Exchanges in Acre-Feet (Actuals)

2018/2019 Production and Exchanges in Acre-Feet (Actuals)

BUDGET

Administration, Advisory Committee and Watermaster Board¹

OBMP and Implementation Projects¹

General Admin and OBMP Assessments

TOTAL BUDGET

Less: Budgeted Interest Income

Less: Contributions from Outside Agencies

Subtotal: CASH DEMAND

Add: OPERATING RESERVE

Administrative (10%)

OBMP (15%)

Less: Cash on Hand Available for Assessments²

Total: CASH REQUIRED TO BE ASSESSED

Current Year Assessments

General Administration/OBMP Assessments (Minimum \$5.00 Per Producer)

Grand Total

Prior Year Assessments, (Actuals) Information Only

Grand Total

Variance Between Proposed Assessments and Prior Year Assessments

Grand Total

Estimated Assessment as of "Approved" Budget May 23, 2019, Information Only

Grand Total

FY 2018/19 Budget	FY 2019/20 Budget
\$2,046,203	\$2,410,259
\$6,125,437	\$5,393,629
\$8,171,640	\$7,803,888
(\$63,968)	(\$75,124)
(\$167,712)	(\$171,906)
\$7,939,960	\$7,556,858
\$204,620	\$241,026
\$918,816	\$809,044
(\$1,123,436)	(\$1,050,070)
\$7,939,960	\$7,556,858

[A]

[B]

[A] - [B]

p22:

¹ Total costs are allocated to Pools by actual production percentages. Does not include Recharge Debt Payment, Recharge Improvement Projects, Replenishment

² June 30th fund balance (estimated) less funds required for Operating Reserves, Agricultural Pool Reserves, and Carryover replenishment obligations.

and 15% OBMP/Project Operating Reserves"

ASSESSMENT	APPROPRIATIVE POOL		AGRICULTURAL POOL		NON-AG POOL	
109,415.299	76,859.928	70.246%	28,460.605	26.012%	4,094.766	3.742%
100,761.006	75,114.142	74.547%	21,785.871	21.621%	3,860.993	3.832%
	General Administration	OBMP	General Administration	OBMP	General Administration	OBMP
\$2,410,259	\$1,796,772		\$521,130		\$92,357	
\$5,393,629		\$4,020,779		\$1,166,174		\$206,675
\$7,803,888	\$1,796,772	\$4,020,779	\$521,130	\$1,166,174	\$92,357	\$206,675
\$7,803,888	\$1,796,772	\$4,020,779	\$521,130	\$1,166,174	\$92,357	\$206,675
(\$75,124)		(\$56,003)		(\$16,243)		(\$2,879)
(\$171,906)		(\$128,150)		(\$37,168)		(\$6,587)
\$7,556,858	\$1,796,772	\$3,836,626	\$521,130	\$1,112,763	\$92,357	\$197,209
\$241,026	\$179,677		\$52,113		\$9,236	
\$809,044		\$603,117		\$174,926		\$31,001
(\$1,050,070)	(\$241,769)	(\$541,025)	(\$70,122)	(\$156,917)	(\$12,427)	(\$27,810)
\$7,556,858	\$1,734,680	\$3,898,717	\$503,121	\$1,130,772	\$89,166	\$200,401
Per Acre-Foot	\$23.09	\$51.90	\$23.09	\$51.90	\$23.09	\$51.90
		\$74.99		\$74.99		\$74.99
Per Acre-Foot	\$18.00	\$54.57	\$18.00	\$54.57	\$18.00	\$54.57
		\$72.57		\$72.57		\$72.57
	\$5.09	(\$2.67)	\$5.09	(\$2.67)	\$5.09	(\$2.67)
		\$2.42		\$2.42		\$2.42
	\$20.74	\$46.60	\$20.74	\$46.60	\$20.74	\$46.60
		\$67.34		\$67.34		\$67.34

it Water Purchases, or RTS charges.



ALL POOLS

Assessment Year 2019-2020 (Production Year 2018-2019)

Water Transaction Detail

Standard Transactions

To:	From:	Date of Submittal	Quantity	\$ / Acre Feet	Total \$	If 85/15 Rule Applies:		
						85%	15%	WM Pays
Chino Basin Watermaster	Monte Vista Water District Storage Account	6/30/2019	500.0	746.00	373,000.00			
	<i>Purchased by Watermaster to be used toward Production Year 2017/18 replenishment obligation.</i>							
Cucamonga Valley Water District	Pomona, City Of Storage Account	3/25/2019	3,800.0	579.00	2,200,200.00			
	West Valley Water District Storage Account	12/11/2018	500.0	520.00	260,000.00			
	West Valley Water District Storage Account	7/11/2018	500.0	520.00	260,000.00			
Fontana Water Company	Cucamonga Valley Water District Annual Account	4/8/2019	7,500.0	526.32	3,947,400.00	3,355,290.00	592,110.00	Fontana Water Company
			12,800.0		7,040,600.00	3,355,290.00	592,110.00	

Exhibit G Transactions

To:	From:	Date of Submittal	Quantity	\$ / Acre Feet	Total \$	If 85/15 Rule Applies:		
						85%	15%	WM Pays
Watermaster (Exhibit G Non-Ag Transfers)	California Speedway Corporation	3/1/2019	(62.4)	0.00	0.00			
	<i>Exhibit "G" Water Sale</i>							
	GenOn California South, LP	3/1/2019	(135.0)	0.00	0.00			
	<i>Exhibit "G" Water Sale</i>							
	Monte Vista Water District (Non-Ag)	3/1/2019	(2.6)	0.00	0.00			
	<i>Exhibit "G" Water Sale</i>							
Jurupa Community Services District	Watermaster (Exhibit G Non-Ag Transfer)	3/1/2019	200.0	655.00	131,000.00			
	<i>Exhibit "G" Water Sale, Placed Into Storage</i>							
			200.0		131,000.00			
Total 15% Credits from all Transactions:							\$592,110.00	



Assessment Year 2019-2020 (Production Year 2018-2019)

Water Transaction Detail

Applied Recurring Transactions:

From:	To:	Quantity	\$ / Acre Feet	
Fontana Union Water Company Annual Account - Total AG SY Reallocation	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Total Ag SY to CVWD.</i>
Fontana Union Water Company Annual Account - Assigned Rights	Cucamonga Valley Water District Annual Account - Assigned Rights	All	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Transfer (To) / From	Cucamonga Valley Water District Annual Account - Transfer (To) / From	0.0	0.00	<i>Transfer FUWC water transfer rights to CVWD.</i>
Fontana Union Water Company Annual Account - Diff - Potential vs. Net	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Ag Pool Reallocation Difference (Potential vs. Net) to CVWD.</i>
Fontana Union Water Company Annual Account - Stormwater New Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC New Yield to CVWD.</i>
Fontana Union Water Company Annual Account - Assigned Share of Operating Safe Yield	Cucamonga Valley Water District Annual Account - Transfer (To) / From	All	0.00	<i>Transfer FUWC Share of Safe Yield to CVWD.</i>

P23:

1) Only 200 AF out of 2,963.542 AF of water made available by the Non-Agricultural Pool was purchased through the Exhibit "G" water transaction. The amount was allocated pro-rata amongst MVWD (Non-Ag), GenOn California South, LP, and California Speedway Corporation based on total volume of water made available.



Assessment Year 2019-2020 (Production Year 2018-2019)

Analysis of the 85/15 Rule Application to Water Transfers

To	(Over)/Under Production Excluding Water Transfer(s)	From	Date of Submittal	Transfer Quantity	Is Buyer an 85/15 Party?	Is Transfer Being Placed into Annual Account?	Is Purpose of Transfer to Utilize SAWCO or West End Shares?	Amount of Transfer Eligible for 85/15 Rule
Watermaster (Exhibit G Non-Ag Transfers)	0.0	California Speedway Corporation	3/1/2019	62.4	No	No	No	0.0
		<i>Exhibit "G" Water Sale</i>						
		GenOn California South, LP	3/1/2019	135.0	No	No	No	0.0
		<i>Exhibit "G" Water Sale</i>						
		Monte Vista Water District (Non-Ag)	3/1/2019	2.6	No	No	No	0.0
		<i>Exhibit "G" Water Sale</i>						
Chino Basin Watermaster	0.0	Monte Vista Water District Storage Account	6/30/2019	500.0	No	No	No	0.0
		<i>Purchased by Watermaster to be used toward Production Year 2017/18 replenishment obligation.</i>						
Cucamonga Valley Water District	4,827.9	Pomona, City Of Storage Account	3/25/2019	3,800.0	Yes	Yes	No	0.0
		West Valley Water District Storage Account	12/11/2018	500.0	Yes	Yes	No	0.0
		West Valley Water District Storage Account	7/11/2018	500.0	Yes	Yes	No	0.0
Fontana Water Company	(9,124.2)	Cucamonga Valley Water District Annual Account	4/8/2019	7,500.0	Yes	Yes	No	7,500.0
Jurupa Community Services District	5,920.9	Watermaster (Exhibit G Non- Ag Transfer)	3/1/2019	200.0	Yes	No	No	0.0
		<i>Exhibit "G" Water Sale, Placed Into Storage</i>						

p24:

1) Only 200 AF out of 2,963.542 AF of water made available by the Non-Agricultural Pool was purchased through the Exhibit "G" water transaction. The amount was allocated pro-rata amongst MVWD (Non-Ag), GenOn California South, LP, and California Speedway Corporation based on total volume of water made available.



ALL POOLS

Assessment Year 2019-2020 (Production Year 2018-2019)

Watermaster Replenishment Calculation

Cost of Replenishment Water per acre foot:

Watermaster Replenishment Cost	\$731.00
Projected Spreading - OCWD Connection Fee	\$2.00
Projected Spreading - Delivery Surcharge	\$10.00
Pre-purchased Credit	\$0.00
Total Replenishment Cost per acre foot (see footnote)	\$743.00

Replenishment Obligation:	AF @ \$743.00	15%	85%	Total
Appropriative - 100	1,252.7			\$930,730.84
Appropriative - 15/85	10.8	\$1,199.09	\$6,794.85	\$7,993.94
Non-Agricultural - 100	31.4			\$23,307.91
	1,294.8			\$962,032.69

Company	AF Production and Exchanges	85/15 Producers	Percent of Total 85/15 Producers	15% Replenishment Assessment	15% Water Transaction Debits
Arrowhead Mtn Spring Water Co	285.4			-	-
CalMat Co. (Appropriative)	0.0			-	-
Chino Hills, City Of	1,540.0	1,540.0	2.510%	\$30.10	\$14,861.87
Chino, City Of	1,365.0	1,365.0	2.225%	\$26.68	\$13,172.54
Cucamonga Valley Water District	9,623.8	9,623.8	15.685%	\$188.08	\$92,873.15
Desalter Authority	31,199.2			-	-
Fontana Union Water Company	0.0	0.0	0.000%	-	\$0.00
Fontana Water Company	9,960.6	9,960.6	16.234%	\$194.66	\$96,123.54
Fontana, City Of	0.0			-	-
Golden State Water Company	0.0	0.0	0.000%	\$0.00	\$0.41
Jurupa Community Services District	13,529.6	13,529.6	22.051%	\$264.41	\$130,565.60
Marygold Mutual Water Company	949.8			-	-
Monte Vista Irrigation Company	0.0	0.0	0.000%	-	\$0.00
Monte Vista Water District	6,483.1	6,483.1	10.566%	\$126.70	\$62,564.46
NCL Co, LLC	0.0			-	-
Niagara Bottling, LLC	1,683.1			-	-
Nicholson Trust	0.0	0.0	0.000%	-	\$0.00
Norco, City Of	0.0	0.0	0.000%	-	\$0.00
Ontario, City Of	16,169.1	16,169.1	26.353%	\$315.99	\$156,037.88
Pomona, City Of	10,839.5			-	-
San Antonio Water Company	376.2	376.2	0.613%	\$7.35	\$3,630.64
San Bernardino, County of (Shooting Park)	10.8	10.8	0.018%	\$0.21	\$103.83
Santa Ana River Water Company	0.0	0.0	0.000%	-	\$0.00
Upland, City Of	2,298.0	2,298.0	3.745%	\$44.91	\$22,176.08
West End Consolidated Water Co	0.0	0.0	0.000%	-	\$0.00
West Valley Water District	0.0	0.0	0.000%	-	\$0.00
** Fee assessment total is 15% of Appropriative 15/85 replenishment obligation	106,313.4	61,356.2	**	\$1,199.09	\$592,110.00

Transfers to
8G

Transfers to
8K

p25: The 2019 rate includes a \$10 surcharge from Three Valleys Municipal Water District.



Assessment Year 2019-2020 (Production Year 2018-2019)

Readiness to Serve (RTS) Charges

Appropriative or Non-Agricultural Pool Party	FY 2016/2017 Water Purchase:						
	Purchased Water in AF						
	20160623		20161216	20170418	85/15 Breakdown		
	RO	DRO	DRO	RO	AF @ 100%	AF @ 85/15	AF Total
Arrowhead Mtn Spring Water Co	1,135.3	8.9	4.0	335.7	1,483.8	0.0	1,483.8
CalMat Co. (Appropriative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino Hills, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chino, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cucamonga Valley Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Union Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fontana, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Golden State Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Jurupa Community Services District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marygold Mutual Water Company	78.7	51.9	20.3	0.0	150.9	0.0	150.9
Monte Vista Irrigation Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NCL Co, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niagara Bottling, LLC	2,567.5	35.5	0.0	1,174.3	3,777.3	0.0	3,777.3
Nicholson Trust	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Norco, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ontario, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pomona, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
San Antonio Water Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
San Bernardino, County of (Shooting Park)	38.8	0.3	0.1	9.4	0.4	48.2	48.6
Santa Ana River Water Company	0.0	48.0	23.7	0.0	71.7	0.0	71.7
Upland, City Of	0.0	0.0	0.0	0.0	0.0	0.0	0.0
West End Consolidated Water Co	0.0	0.0	0.0	0.0	0.0	0.0	0.0
West Valley Water District	0.0	23.5	11.8	0.0	35.3	0.0	35.3
Aqua Capital Management LP	57.5	0.0	0.0	0.0	57.5	0.0	57.5
California Speedway Corporation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California Steel Industries, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CalMat Co.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CCG Ontario, LLC	0.0	0.0	0.0	0.0	0.0	0.0	0.0
City of Ontario (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
County of San Bernardino (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General Electric Company	0.0	0.0	0.0	0.1	0.1	0.0	0.1
GenOn California South, LP	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hamner Park Associates, a California Limited Partnershi	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monte Vista Water District (Non-Ag)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Praxair, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Riboli Family and San Antonio Winery, Inc.	28.8	0.0	0.0	4.0	32.8	0.0	32.8
Southern Service Company	62.2	0.0	0.0	10.6	72.9	0.0	72.9
Space Center Mira Loma, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TAMCO	19.8	0.0	0.0	16.5	36.4	0.0	36.4
West Venture Development Company	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	3,988.7	168.0	59.9	1,550.5	5,718.8	48.2	5,767.0
	26A	26B	26C	26D	26E	26F	26G

p26:

- 1) Beginning with fiscal year 2016/17, water purchased through the IEUA will be charged with an annual RTS fee over a ten year period commencing two
- 2) RTS will be allocated based on the total RTS charge for the year and not on the calculated cost per acre-foot.
- 3) This year's RTS includes the second of ten annual RTS charges for water purchased in FY 2016/17, and first of ten annual RTS charges for water purc

ALL POOLS

Total Water Purchased: 6,912.9 AF

Total RTS Charge: \$37,072.01 (\$5.36/AF)

					FY 2017/2018 Water Purchase							TOTAL RTS CHARGES
2015/16 Prod & Exch From 85/15 Producers		Year 2 RTS Charges			Purchased Water in AF		2016/17 Prod & Exch From 85/15 Producers		Year 1 RTS Charges			
		15% \$0.80	85% \$4.56	100% \$5.36	20171211				15% \$0.80	85% \$4.56	100% \$5.36	
Acre-Feet	Percent				RO	DRO	Acre-Feet	Percent				
0.0	0.000%	0.00	0.00	7,956.92	0.1	0.0	0.0	0.000%	0.00	0.00	0.48	7,957.41
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
1,548.3	2.009%	0.78	0.00	0.00	0.0	0.0	2,152.0	3.002%	0.32	0.00	0.00	1.10
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	388.9	0.543%	0.06	0.00	0.00	0.06
20,534.7	26.648%	10.34	0.00	0.00	0.0	0.0	16,562.0	23.104%	2.46	0.00	0.00	12.80
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
15,317.2	19.877%	7.71	0.00	0.00	0.0	0.0	13,250.5	18.484%	1.97	0.00	0.00	9.68
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
807.4	1.048%	0.41	0.00	0.00	0.0	0.0	850.3	1.186%	0.13	0.00	0.00	0.53
8,952.8	11.618%	4.51	0.00	0.00	0.0	0.0	11,023.2	15.377%	1.64	0.00	0.00	6.15
0.0	0.000%	0.00	0.00	809.08	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	809.08
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
8,203.7	10.646%	4.13	0.00	0.00	0.0	0.0	6,865.0	9.577%	1.02	0.00	0.00	5.15
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	20,256.68	946.1	0.0	0.0	0.000%	0.00	0.00	5,073.43	25,330.11
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
18,053.8	23.429%	9.09	0.00	0.00	0.0	0.0	18,970.2	26.463%	2.82	0.00	0.00	11.91
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
1,030.8	1.338%	0.52	0.00	0.00	0.0	0.0	537.7	0.750%	0.08	0.00	0.00	0.60
9.4	0.012%	0.00	219.86	2.13	13.2	0.8	13.0	0.018%	0.00	60.34	4.25	286.59
0.0	0.000%	0.00	0.00	384.42	0.0	118.7	0.0	0.000%	0.00	0.00	636.37	1,020.78
2,600.7	3.375%	1.31	0.00	0.00	0.0	0.0	1,071.9	1.495%	0.16	0.00	0.00	1.47
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	189.04	0.0	58.8	0.0	0.000%	0.00	0.00	315.07	504.11
0.0	0.000%	0.00	0.00	308.20	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	308.20
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0	0.0	0.0	0.000%	0.00	0.00	0.00	0.00
0.0	0.000%	0.00	0.00	0.00	0.0							

years after the initial purchase. This fee will vary year to year based on a ten-year rolling average.

based in FY 2017/18.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package Notes

Page	Note
pg01	"Agricultural Total Pool Production" includes Voluntary Agreements between Appropriators and Agricultural Pool Parties.
pg04 (a)	Transfers in Column [4E] include the annual transfer of 10% of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2, and also the Exhibit "G" physical solution.
pg04 (b)	Column [4H], "Actual Fiscal Year Production," includes physical production and Assignments between Appropriators and Non-Ag Pool Parties.
pg04 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg05 (a)	Hydraulic Control was achieved on February 1, 2016. Pursuant to Paragraph 7.4(b) of the Peace II Agreement, Storage Loss is now calculated at 0.07%.
pg05 (b)	When applicable, column [5C] includes the Exhibit "G" physical solution transfers to the Appropriative Pool.
pg06	Transfers in Column [6C] is the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation in accordance with the Peace II Agreement Section 6.2.
pg07 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg07 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg07 (c)	Outstanding Obligation (\$) is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance (\$).
pg07 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg08 (a)	Recharge Debt Payment expenses [8O] and Recharge Improvement Project expenses [8P] are each allocated on % OSY, based on the approved budget.
pg08 (b)	Pursuant to Paragraph 5.4(b) of the Peace Agreement, the City of Pomona shall be allowed a credit of up to \$2 million against OBMP Assessments through 2030. This equates to \$66,667 per year. TVMWD elected to discontinue payment of the "Pomona Credit," effective FY 2012/2013. It is now paid by the Appropriative Pool Parties, allocated on % OSY.
pg09 (a)	Other Adjustments include water provided to another Appropriator, pump-to-waste that has been captured in a recharge basin (as verified by IEUA), and other miscellaneous recharge / injection of native water.
pg09 (b)	Evaporative Losses will be applied to recharged water from Pump-to-Waste activities beginning in October 2017. (Evaporative Loss Rates: 1.5% Nov - Mar; 4.2% Apr - Oct)
pg10 (a)	The Restated Judgment allowed an accumulated overdraft of 200,000 AF over 40 years. The total Operating Safe Yield is now 44,834 AF, allocated by percentage of Operating Safe Yield.
pg10 (b)	Column [10I], "Actual Fiscal Year Production," includes physical production, Voluntary Agreements, Assignments, and, if applicable, other adjustments. A detailed breakdown can be found on Page 9.1.
pg10 (c)	"Net Over Production" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.
pg10 (d)	Stormwater New Yield was addressed in the Court's April 28, 2017 Order and as part of the new Safe Yield implemented in Production Year 2014/15. Based on the reset methodology, no Stormwater New Yield is allocated and the associated column has been removed from this Assessment Package.
pg11 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts.
pg11 (b)	Column [11C] includes transfers to the Desalter Replenishment Obligation.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package Notes

Page	Note
pg12 (a)	The Assessment Package database is set up so that all water must go through the Party Annual Accounts on the way to or from ECO Storage Accounts, and through the ECO Storage Accounts on the way to or from Supplemental Storage Accounts.
pg12 (b)	Columns [12C], [12H], and [12M] include transfers to the Desalter Replenishment Obligation.
pg12 (c)	The first 3,000 AF of City of Fontana's recharged recycled water transfers to the City of Ontario, and all of the City of Montclair's recharged recycled water transfers to MVWD.
pg13 (a)	"Re-Operation Offset: Pre-Peace II Desalters" had an original beginning balance of 225,000.000 AF. The 29,070 AF correction required by Condition Subsequent 7 is included. (See Page 18.1)
pg13 (b)	"Re-Operation Offset: Peace II Expansion" had an original beginning balance of 175,000.000 AF. It will now be allocated to Desalter replenishment over a 17-year period, beginning in 2013/14 and ending in 2029/30, according to a schedule. (See Page 18.1)
pg13 (c)	There is no loss assessed on the native Basin water allocated to offset Desalter production as a result of Basin Reoperation as approved in the Peace II Agreement.
pg13 (d)	Chino, Ontario, and JCSD Preemptive Replenishment Agreement water from 2011 have been depleted as of Revised 2015/16 Assessment Package.
pg13 (e)	"Non-Ag Dedication" was used in a prior Assessment Package to indicate the Paragraph 31 Settlement Agreements Dedication.
pg13 (f)	The "Non-Ag" OBMP Special Assessment", also referred to as the "10% Haircut", will indicate the movement of water when it is being utilized to further offset the Desalter Replenishment Obligation. See [18L] on Page 18.1.
pg14	Transfers in Column [14A] include annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
pg15 (a)	Most of the remaining eligible parcels for Land Use Conversion are within the Conversion Area 1 boundary.
pg15 (b)	"Unlikely to Convert Parcels" regardless of eligibility are not likely to convert due to pre-existing land use. Eligibility will be determined on a case by case basis.
pg16	Beginning with the 2015/16 Assessment Package, the Agricultural Pool Safe Yield Reallocation is now being calculated with a new formula in accordance with the March 15, 2019 Court Order.
pg17 (a)	The financial Outstanding Obligations are reconciled on pages 7.1 and 17.1.
pg17 (b)	Fund Balance is maintained on a spreadsheet by Watermaster.
pg17 (c)	Outstanding Obligation is calculated by multiplying Outstanding Obligation (AF) by the current rate, reduced by the Fund Balance.
pg17 (d)	Fund Balance is the money collected by Watermaster, Outstanding Obligation (\$) is the money owed by the Parties or credited to the Parties.
pg24	The column titled "(Over)/Under Production Excluding Water Transfer(s)" excludes Exhibit "G" water sales and water transfers between Appropriators and to Watermaster (if any). $([10B] + [10C] + [10D] + [10E] + [14B] - [10I])$
pg25 (a)	The "15% Water Transaction Debits" total is the "Total 15% Credits from all Transaction" from Page 23.1.
pg25 (b)	"Replenishment Obligation" does not include evaporative loss. Additional water will be purchased in order to adequately cover evaporative losses. The rates are 1.5% from November through March, 4.2% from April through October.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
2A	AF Production Actual fiscal year production by each Party. Copied from [4H].
2B	Non-Agricultural Pool - AF/Admin Production [2A] <times> per acre-foot Admin fee.
2C	Non-Agricultural Pool - AF/OBMP Production [2A] <times> per acre-foot OBMP fee.
2D	Replenishment Assessments - AF Exceeding Annual Right Over-production for each Party beyond their annual production right. Copied from [4I].
2E	Replenishment Assessments - [Current Replenishment Rate] Per AF Amount overproduced [2D] <times> the current replenishment rate.
2F	CURO Adjustment Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 7.1.
2G	RTS Charges Annual Readiness to Serve charges for water purchased in prior years.
2H	Other Adjustments Used as necessary for any other monetary adjustments needed to the Assessment Package.
2I	Total Assessments Due Total fees assessed based on Party production. [2B] + [2C] + [2E] + [2F] + [2G] + [2H].
3A	Physical Production Fiscal year physical production by each Party.
3B	Assignments Total of water received from an Appropriator by each Party.
3C	Other Adjustments Any other adjustments that result in off-set of the fiscal year's production.
3D	Actual FY Production (Assmnt Pkg Column 4H) Total adjusted production for the fiscal year. Also known as Assessable Production. [3A] + [3B] + [3C].
4A	Percent of Safe Yield The Party's yearly percentage of Safe Yield.
4B	Carryover Beginning Balance The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
4C	Prior Year Adjustments This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
4D	Assigned Share of Safe Yield (AF) The Party's yearly volume of Safe Yield.
4E	Water Transaction Activity Total of one-time water transfers between Parties for this period, including the annual transfer of 10 percent of the Non-Ag Safe Yield to be utilized to offset the overall Desalter Replenishment Obligation, as stated in the Peace II Agreement, and Exhibit G.
4F	Other Adjustments This number reflects adjusted production rights, in the event that corrections are needed.
4G	Annual Production Right Current Year Production Right. [4B] + [4C] + [4D] + [4E] + [4F].



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
4H	Actual Fiscal Year Production Fiscal year production, including Assignments, from CBWM's production system (as verified by each Party on their Water Activity Report). Also known as Assessable Production.
4I	Net Over Production Over-production, if any, for each Party beyond their annual production right. $[4H] < \text{minus} > [4G]$, equaling more than zero.
4J	Under Production Balances - Total Under-Produced Production rights $[4G] < \text{minus} >$ production $[4H]$, equaling more than zero.
4K	Under Production Balances - Carryover: Next Year Begin Bal Either total under-produced $[4J]$ or share of Safe Yield $[4D]$, whichever is less.
4L	Under Production Balances - To Excess Carryover Account Total under-produced $[4J] < \text{minus} >$ Carryover to next year $[4K]$, equaling more than zero.
5A	Local Excess Carry Over Storage Account (ECO) - Beginning Balance The beginning balance in each ECO account. This number will carry forward from the ending balance in the previous period Assessment Package.
5B	Local Excess Carry Over Storage Account (ECO) - 0.07% Storage Loss Beginning balance $[5A] < \text{times} > -0.0007$.
5C	Local Excess Carry Over Storage Account (ECO) - Transfers To / (From) Total of water transferred to and from the ECO Account.
5D	Local Excess Carry Over Storage Account (ECO) - From Under-Production Total of water transferred from the Annual Account due to under production. Copied from $[4L]$.
5E	Local Excess Carry Over Storage Account (ECO) - Ending Balance The current balance in each ECO account. $[5A] + [5B] + [5C] + [5D]$.
5F	Local Supplemental Storage Account - Beginning Balance The beginning balance in each Supplemental Account. This number will carry forward from the ending balance in the previous period Assessment Package.
5G	Local Supplemental Storage Account - 0.07% Storage Loss Beginning balance $[5F] < \text{times} > -0.0007$.
5H	Local Supplemental Storage Account - Transfers To / (From) Total of water transferred to and from the Annual and/or ECO Account.
5I	Local Supplemental Storage Account - Ending Balance The current balance in each Supplemental Account. $[5F] + [5G] + [5H]$.
5J	Combined - Ending Balance The combined amount in all local storage accounts. $[5E] + [5I]$.
6A	Percent of Safe Yield The Party's yearly percentage of Operating Safe Yield.
6B	Assigned Share of Safe Yield (AF) The Party's yearly volume of Operating Safe Yield.
6C	Water Transactions - 10% of Operating Safe Yield ("Haircut") Operating Safe Yield $[6B] < \text{times} > -0.1$
6D	Water Transactions - Transfers (To) / From ECO Account Total of water transferred between the Annual Account and ECO Account.
6E	Water Transactions - General Transfers / Exhibit G Water Sales Total of water transfers between Parties for this period including Exhibit G Water Sales.
6F	Water Transactions - Total Water Transactions Total water transactions. $[6C] + [6D] + [6E]$. This column is used to populate $[4E]$.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
7A	Outstanding Obligation (AF) The amount of obligation carried over from prior Assessment Package(s) that were not met due to MWD not having replenishment water available to purchase.
7B	Fund Balance (\$) The amount of money collected or owed for replenishment assessments from prior Assessment Package(s).
7C	Outstanding Obligation (\$) The amount of money that each Party owes or is credited based on current replenishment rate. [7A] <times> [CURRENT RATE] <minus> [7B].
8A	AF Production and Exchanges Total production and exchanges. Copied from [10L].
8B	Appropriative Pool - AF/Admin Production and Exchanges [8A] <times> per acre-foot Admin fee.
8C	Appropriative Pool - AF/OBMP Production and Exchanges [8A] <times> per acre-foot OBMP fee.
8D	Ag Pool SY Reallocation - AF Total Reallocation Reallocation of Ag Pool Safe Yield. Copied from [10E] and [16E].
8E	Ag Pool SY Reallocation - AF/Admin Party Ag Pool reallocation [8D] <divided by> Total Ag Pool Reallocation [8D Total] <times> total dollar amount needed for Ag Pool Administration.
8F	Ag Pool SY Reallocation - AF/OBMP Party Ag Pool reallocation [8D] <divided by> Total Ag Pool Reallocation [8D Total] <times> total dollar amount needed for Ag Pool OBMP.
8G	Replenishment Assessments - AF/15% For Parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount. Copied from Page 25.1.
8H	Replenishment Assessments - AF/85% For parties participating in the 85/15 Rule: Total volume overproduced [10L] <times> 85% of the replenishment rate.
8I	Replenishment Assessments - AF/100% For parties not participating in the 85/15 Rule: Total volume overproduced [10M] <times> 100% of the replenishment rate.
8J	85/15 Water Transaction Activity - 15% Producer Credits For parties participating in the 85/15 Rule: Credit amount equals 15% of the cost of the water purchased. Total copied from Page 23.1.
8K	85/15 Water Transaction Activity - 15% Pro-rated Debits For parties participating in the 85/15 Rule: Percentage of total 85/15 participant production <times> required credit amount. Copied from Page 25.1.
8L	CURO Adjustment Monetary amount needed (or to be credited) for each Party's Cumulative Unmet Replenishment Obligation (CURO). Calculated on Page 17.1.
8M	ASSESSMENTS DUE - Total Production Based Total fees assessed based on Party production. [8B] + [8C] + [8E] + [8F] + [8G] + [8H] + [8I] + [8J] + [8K] + [8L].
8N	ASSESSMENTS DUE - Pomona Credit Debit amount to Pomona <times> -1 <times> percent share of Operating Safe Yield [10A].
8O	ASSESSMENTS DUE - Recharge Debt Payment Total recharge debt payment <times> percent share of Operating Safe Yield [10A].
8P	ASSESSMENTS DUE - Recharge Improvement Project Total Recharge Improvement Project <times> Percent Share of Operating Safe Yield [10A].
8Q	ASSESSMENTS DUE - RTS Charges Annual Readiness to Serve charges for water purchased in prior years.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
8R	ASSESSMENTS DUE - Other Adjustments Used as necessary for any other monetary adjustments needed to the Assessment Package.
8S	ASSESSMENTS DUE - DRO Total assessments due for Desalter Replenishment. Copied from [21L].
8T	ASSESSMENTS DUE - Total Due Total assessments. [8M] + [8N] + [8O] + [8P] + [8Q] + [8R] + [8S].
9A	Physical Production Fiscal year physical production by each Party.
9B	Voluntary Agreements (w/ Ag) Total of water provided to Agricultural Pool Parties.
9C	Assignments (w / Non-Ag) Total of water provided to Non-Agricultural Pool Parties.
9D	Other Adjustments Total of water received from, or provided to, another Appropriator. Also includes production off-sets.
9E	Actual FY Production (Assmnt Pkg Column 10I) Total adjusted production for the fiscal year. [9A] + [9B] + [9C] + [9D].
10A	Percent of Operating Safe Yield The Party's yearly percentage of Operating Safe Yield.
10B	Carryover Beginning Balance The beginning balance in each Annual Account. This number carries forward from the ending balance in the previous period Assessment Package.
10C	Prior Year Adjustments This number reflects the adjusted production rights from a previous Assessment Package, in the event that corrections are needed.
10D	Assigned Share of Operating Safe Yield The Party's yearly volume of Operating Safe Yield.
10E	Net Ag Pool Reallocation Reallocation of Ag Pool Safe Yield. Copied from [16E]. The calculations that lead to this are made on Page 16.1.
10F	Water Transaction Activity Water transactions. Copied from [14E]. The calculations that lead to this are made on Page 14.1.
10G	Other Adjustments This number reflects adjusted production rights, in the event that corrections are needed.
10H	Annual Production Right Current Year Production Right. [10B] + [10C] + [10D] + [10E] + [10F] + [10G].
10I	Actual Fiscal Year Production Fiscal year production, including Assignments and Voluntary Agreements, from CBWM's production system (as verified by each Party on their Water Activity Report). Includes a sub note subtracting Desalter production.
10J	Storage and Recover Program(s) Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). A DYY in-lieu "put" is shown as a positive number and a DYY "take" is shown as a negative number.
10K	Total Production and Exchanges Actual production [10I] <plus> Storage and Recovery exchanges [10J]. Includes a sub note subtracting Desalter production. Also known as Assessable Production.
10L	Net Over-Production - 85/15% For 85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
10M	Net Over-Production - 100% For non-85/15 Rule participants: Production rights [10H] <minus> total production and exchanges [10K], equaling less than zero. Includes a sub note subtracting Desalter production.
10N	Under Production Balances - Total Under-Produced Production rights [10H] <minus> total production and exchanges [10K], equaling more than zero.
10O	Under Production Balances - Carryover: Next Year Begin Bal Either total under-produced [10N] or share of Operating Safe Yield [10D], whichever is less.
10P	Under Production Balances - To Excess Carryover Account Total under produced [10N] <minus> Carryover to next year [10O], equaling more than zero.
11A	Excess Carry Over Account (ECO) - Beginning Balance The beginning balance in each ECO account. This carries forward from the ending balance in the previous period Assessment Package.
11B	Excess Carry Over Account (ECO) - 0.07% Storage Loss Beginning balance [11A] <times> -0.0007.
11C	Excess Carry Over Account (ECO) - Transfers To / (From) Total of water transferred to and from ECO and the Annual Account. Also includes Desalter Replenishment Obligation transfers.
11D	Excess Carry Over Account (ECO) - From Supplemental Storage Total of water transferred to and from Local Supplemental Storage accounts, as shown on Page 12.1.
11E	Excess Carry Over Account (ECO) - From Under-Production Total of water transferred from the Annual Account due to under production. Copied from [10P].
11F	Excess Carry Over Account (ECO) - Ending Balance The current balance in each ECO account. [11A] + [11B] + [11C] + [11D] + [11E].
12A	Recharged Recycled Account - Beginning Balance The beginning balance in each Recharged Recycled Account. This number carries forward from the ending balance in the previous period Assessment Package.
12B	Recharged Recycled Account - 0.07% Storage Loss Beginning balance [12A] <times> -0.0007.
12C	Recharged Recycled Account - Transfers To / (From) Total recharged recycled water credited to each Party for the year, as provided by IEUA. Also includes Desalter Replenishment Obligation transfers.
12D	Recharged Recycled Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.
12E	Recharged Recycled Account - Ending Balance The current balance in each Recharged Recycled account. [12A] + [12B] + [12C] + [12D].
12F	Quantified (Pre 7/1/2000) Account - Beginning Balance The beginning balance in each Quantified Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12G	Quantified (Pre 7/1/2000) Account - 0.07% Storage Loss Beginning balance [12F] <times> -0.0007.
12H	Quantified (Pre 7/1/2000) Account - Transfers To / (From) Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12I	Quantified (Pre 7/1/2000) Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.
12J	Quantified (Pre 7/1/2000) Account - Ending Balance The current balance in each Quantified Supplemental account. [12F] + [12G] + [12H] + [12I].



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
12K	New (Post 7/1/2000) Account - Beginning Balance The beginning balance in each New Supplemental Account. This number carries forward from the ending balance in the previous period Assessment Package.
12L	New (Post 7/1/2000) Account - 0.07% Storage Loss Beginning balance [12K] \times -0.0007.
12M	New (Post 7/1/2000) Account - Transfers To / (From) Total of water transferred to and from the Annual Account. Also includes Desalter Replenishment Obligation transfers.
12N	New (Post 7/1/2000) Account - Transfer to ECO Account Total of water transferred to the ECO Account, as shown on Page 11.1.
12O	New (Post 7/1/2000) Account - Ending Balance The current balance in each New Supplemental Account. [12K] + [12L] + [12M] + [12N].
12P	Combined - Ending Balance The combined amount in all supplemental storage accounts [12E] + [12J] + [12O].
13A	Desalter Replenishment - Beginning Balance The beginning balances in each Desalter Replenishment account. These numbers carry forward from the ending balances in the previous period Assessment Package.
13B	Desalter Replenishment - Water Purchases Where applicable, the total of water purchased by each Desalter Replenishment account.
13C	Desalter Replenishment - Transfers To Where applicable, the total of water transferred to each Desalter Replenishment account.
13D	Desalter Replenishment - Transfers From Total of water transferred from each Desalter Replenishment account.
13E	Desalter Replenishment - Ending Balance The current balances in each Desalter Replenishment account. [13A] + [13B] + [13C] + [13D].
13F	Storage and Recovery - Beginning Balance The beginning balance in the Storage and Recovery (DYY) Account. This number carries forward from the ending balance in the previous period Assessment Package.
13G	Storage and Recovery - Storage Loss Beginning balance [13F] \times -0.0007.
13H	Storage and Recovery - Transfers To Total of water transferred to the Storage and Recovery Account ("puts").
13I	Storage and Recovery - Transfers From Total of water transferred from the Storage and Recovery Account ("takes").
13J	Storage and Recovery - Ending Balance The current balance in the Storage and Recovery Account. [13F] + [13G] + [13H] + [13I].
14A	Water Transactions - Assigned Rights Total of assigned transactions for this period, including annual water transfers/leases between Appropriators and/or from Appropriators to Watermaster for replenishment purposes, and also the Exhibit "G" physical solution transfers from the Non-Ag Pool.
14B	Water Transactions - General Transfer Total of water transfers between Parties for this period.
14C	Water Transactions - Transfers (To) / From ECO Account Total of water transferred between the Annual Account and ECO Account.
14D	Water Transactions - Transfers (To) Desalter Replenishment Total of water transferred from the ECO Account to the Desalter Replenishment Account.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
14E	Water Transactions - Total Water Transactions Total water transactions. [14A] + [14B] + [14C] + [14D]. This column is used to populate [10F].
15A	Prior Conversion Prior Land Use Conversion in acre-feet.
15B	Conversion @ 1.3 af/ac - Acres Converted parcels in acres at 1.3 acre-feet per acre.
15C	Conversion @ 1.3 af/ac - Acre-Feet Converted parcels in acre-feet at 1.3 acre-feet per acre. [15B] <times> 1.3.
15D	Total Prior to Peace Agrmt Converted AF Total Land Use Conversion in acre-feet prior to the Peace Agreement. [15A] + [15C].
15E	Conversion @ 2.0 af/ac - Acres Converted parcels in acres at 2.0 acre-feet per acre.
15F	Conversion @ 2.0 af/ac - Acre-Feet Converted parcels in acre-feet at 2.0 acre-feet per acre. [15E] <times> 2.0.
15G	Total Land Use Conversion Acre-Feet Total Land Use Conversion in acre-feet for each Party. [15D] + [15F].
16A	% Share of Operating Safe Yield The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
16B	Reallocation of Agricultural Pool Safe Yield - Safe Yield Reduction The Party's percent share of Operating Safe Yield [16A] multiplied by 5,000.
16C	Reallocation of Agricultural Pool Safe Yield - Land Use Conversions Total land use conversions claimed on Page 15.1 (as verified by each Party on their Water Activity Report). Copied from [15G].
16D	Reallocation of Agricultural Pool Safe Yield - Early Transfer The remaining Agricultural Pool Safe Yield (82,800 <minus> Agricultural Pool Production <minus> Safe Yield Reduction <minus> Land Use Conversion) multiplied by percent share of Operating Safe Yield [16A].
16E	Reallocation of Agricultural Pool Safe Yield - Total Ag Pool Reallocation Each Party's Agricultural Pool Reallocation. [16B] + [16C] + [16D]. This column is used to populate [10E].
17A	Outstanding Obligation (AF) The amount of obligation carried over from prior Assessment Package(s) that were not met due to MWD not having replenishment water available to purchase.
17B	Fund Balance (\$) The amount of money collected or owed for replenishment assessments from prior Assessment Packages(s).
17C	Outstanding Obligation (\$) The amount of money that each Party owes or is credited based on current replenishment rate. [17A] <times> [CURRENT RATE] <minus> [17B].
17D	AF Production and Exchanges Each Party's total production and exchanges. Copied from [10K].
17E	85/15 Producers The total production and exchanges of 85/15 Producers only.
17F	Percent The percentage of each 85/15 Producer's total production and exchanges [17E] divided by the sum of [17E].
17G	15% If an 85/15 Producer, then the 85/15 Producers' total Outstanding Obligation (\$) at 15%, multiplied by their production and exchanges percentage. [17C] total of 85/15 Producers <times> 15% <times> [17F].



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
17H	85% If an 85/15 Producer, then the Outstanding Obligation (\$) at 85%.
17I	100% If not an 85/15 Producer, then the Outstanding Obligation (\$) at 100%.
17J	Total The total CURO for the year. [17G] + [17H] + [17I].
18A	Desalter Production - Pre-Peace II Desalter Production Production from the Pre-Peace II Desalter Wells.
18B	Desalter Production - Peace II Desalter Expansion Production Production from the Peace II Desalter Expansion Wells.
18C	Desalter Production - Total The combined production from all Desalter Wells. [18A] + [18B].
18D	Desalter Replenishment - Desalter (aka Kaiser) Account PIIA, 6.2 (a)(i) Credit applied to the total Desalter Production from the Kaiser account.
18E	Desalter Replenishment - Paragraph 31 Settlement Agreements Dedication PIIA, 6.2(a)(ii) Credit applied to the total Desalter Production from "dedication of water from the Overlying (Non-Agricultural) Pool Storage Account or from any contribution arising from an annual authorized Physical Solution Transfer in accordance with amended Exhibit G to the Judgment."
18F	Desalter Replenishment - "Leave Behind" Losses PIIA, 6.2(a)(iv) Credit applied to the total Desalter Production from "any declared losses from storage in excess of actual losses enforced as a "Leave Behind"".
18G	Desalter Replenishment - Safe Yield Contributed by Parties PIIA, 6.2(a)(v) Credit applied to the total Desalter Production from "Safe Yield that may be contributed by the parties."
18H	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to Pre-Peace II Desalters The 225,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Pre-Peace II Desalter production.
18I	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Allocation to All Desalters The 175,000 AF portion of the 400,000 AF Controlled Overdraft that was originally allocated to the Peace II Desalter Expansion production but is now allocated to all Desalter production per set schedule.
18J	Desalter Replenishment - Controlled Overdraft / Re-Op, PIIA, 6.2(a)(vi) - Balance The remaining balance of the 400,000 AF Controlled Overdraft.
18K	Desalter Replenishment - Appropriative Pool DRO Contribution PIIA, 6.2(b)(ii) The 10,000 AF contribution to the Desalter Replenishment Obligation by the Appropriative Pool.
18L	Desalter Replenishment - Non-Ag OBMP Assessment (10% Haircut) PIIA, 6.2(b)(i) The 10% of the Non-Agricultural Pool Safe Yield used to offset the total Desalter Replenishment Obligation beginning with production year 2016/2017.
18M	Remaining Desalter Replenishment Obligation PIIA, 6.2(b)(iii) Total Desalter Production minus Desalter Replenishment. [18C] - [18D] - [18E] - [18F] - [18G] - [18H] - [18I] - [18K] - [18L].
19A	Percent of Operating Safe Yield The Party's yearly percentage of Operating Safe Yield. Copied from [10A].
19B	Land Use Conversions Total Land Use Conversion in acre-feet for each Party. Copied from [15G].
19C	Percent of Land Use Conversions Each Party's pro rata share of Land Use Conversions [19B] from the total of [19B].
19D	85% DROC Based on Percent OSY Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on OSY. $10,000 \times 0.85 \times [19A]$.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
19E	15% DROC Based on Percent of LUC Each Party's share of the 10,000 AF Desalter Replenishment Obligation based on Percent of Land Use Conversions. $10,000 \times 0.15 \times [19C]$.
19F	Total Desalter Replenishment Each Party's share of the 10,000 AF Desalter Replenishment Obligation. $[19D] + [19E]$.
20A	Assigned Share of Operating Safe Yield The Party's yearly volume of Operating Safe Yield. Copied from [10D].
20B	Physical Production Adjustment Calculation - Physical Production Fiscal year physical production by each Party. Copied from [9A].
20C	Physical Production Adjustment Calculation - 50% of Voluntary Agreements with Ag Total of water provided to Agricultural Pool Parties multiplied by 50%. $[9B] \times 0.50$.
20D	Physical Production Adjustment Calculation - Assignments with Non-Ag Total of water provided to Non-Agricultural Pool Parties. Copied from [9C].
20E	Physical Production Adjustment Calculation - Storage and Recovery Programs Total exchanges for the period (July 1 - June 30) including MZ1 forbearance and DYY deliveries (as reported to CBWM by IEUA and TVMWD and as verified by each Party on their Water Activity Report). Copied from [10J].
20F	Physical Production Adjustment Calculation - Other Adjustments Total of water received from, or provided to, another Appropriator. Also includes production off-sets. Copied from [9D] but does not include production adjustments to prevent a negative annual production to a Party.
20G	Physical Production Adjustment Calculation - Total Adjusted Production Each Party's Adjusted Physical Production. $[20B] + [20C] + [20D] + [20E] + [20F]$.
20H	RDRO Calculation - Total Production and OSY Basis The sum of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield. $[20A] + [20G]$.
20I	RDRO Calculation - Percentage The percentage of each Party's Adjusted Physical Production and Assigned Share of Operating Safe Yield basis. $[20H]$ divided by the sum of $[20H]$.
20J	RDRO Calculation - Individual Party RDRO Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. $[20I] \times \text{Total RDRO}$.
21A	Desalter Replenishment Obligation in AF - Desalter Replenishment Obligation Contribution (DROC) Each Party's share of the 10,000 AF Desalter Replenishment Obligation Contribution. Copied from [19F].
21B	Desalter Replenishment Obligation in AF - Remaining Desalter Replenishment Obligation (RDRO) Each Party's pro rata share of the Remaining Desalter Replenishment Obligation. Copied from [20J].
21C	Desalter Replenishment Obligation in AF - Total Desalter Replenishment Obligation The sum of Desalter Replenishment Obligation Contribution, and Remaining Desalter Replenishment Obligation. $[21A] + [21B]$.
21D	Total DRO Fulfillment Activity - Transfer from Preemptive Replenishment Account Total of water transferred from Desalter Preemptive Replenishment Account to satisfy the desalter replenishment obligation.
21E	Total DRO Fulfillment Activity - Transfer from Excess Carry Over Storage Account Total of water transferred from Excess Carry Over Storage Account to satisfy the desalter replenishment obligation.
21F	Total DRO Fulfillment Activity - Transfer from Recharged Recycled Storage Account Total of water transferred from Recharged Recycle Storage Account to satisfy the desalter replenishment obligation.
21G	Total DRO Fulfillment Activity - Transfer from Quantified Storage Account Total of water transferred from Quantified Storage Account to satisfy the desalter replenishment obligation.
21H	Total DRO Fulfillment Activity - Transfer from Post 7/1/2000 Storage Account Total of water transferred from Post 7/1/2000 Storage Account to satisfy the desalter replenishment obligation.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
21I	Total DRO Fulfillment Activity - Replenishment Water Purchase Total of water purchased to satisfy the desalter replenishment obligation.
21J	Total DRO Fulfillment Activity - Total Transfers and Water Purchases The sum of all transfers and purchases to satisfy the desalter replenishment obligation. [21D] + [21E] + [21F] + [21G] + [21H] + [21I].
21K	Assessments - Residual DRO (AF) Total residual Desalter Replenishment Obligation after transfers and purchases. [21C] + [21J].
21L	Assessments - Assessments Due On Residual DRO (\$) Total assessments due for Desalter Replenishment. This column is used to populate [8S].
26A	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - RO The amount of water purchased to satisfy the accumulated replenishment obligation through the end of production year 2014/15. Water was delivered in October 2016.
26B	FY 2016/2017 Water Purchases - Purchased Water in AF - 20160623 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in October 2016.
26C	FY 2016/2017 Water Purchases - Purchased Water in AF - 20161216 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2016.
26D	FY 2016/2017 Water Purchases - Purchased Water in AF - 20170418 - RO The amount of water purchased to satisfy production year 2015/16 replenishment obligation. Water was delivered in April 2018.
26E	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 100% The amount of water purchased subject to 100% RTS rate. This applies to: DRO water; RO water of non-85/15 Pool 3 producers; and RO water of Pool 2 producers. 1) Pool 3, 85/15 Ineligible: [26A] + [26B] + [26C] + [26D]. 2) Pool 3, 85/15 Eligible: [26B] + [26C]. 3) Pool 2: [26A] + [26D].
26F	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF @ 85/15 The amount of water purchased subject to the 85/15 Rule. This applies to RO water of 85/15 Pool 3 producers. 1) Pool 3, 85/15 Eligible: [26A] + [26D].
26G	FY 2016/2017 Water Purchases - Purchased Water in AF - 85/15 Breakdown - AF Total Total water purchased by each Appropriate Pool or Non-Agricultural Pool Party. [26E] + [26F].
26H	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Acre-Feet Total production and exchanges of 85/15 Producers from fiscal year 2015/16. This is the basis of the 85/15 Rule for water purchased in fiscal year 2016/17.
26I	FY 2016/2017 Water Purchases - 2015/16 Prod & Exch From 85/15 Producers - Percent The percentage of each 85/15 Producer's total production and exchanges. [26H] divided by the sum of [26H].
26J	FY 2016/2017 Water Purchases - Year 2 RTS Charges - 15% If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water. "Total RTS Charge" <divided by> "Total Water Purchased" <times> 0.15 <times> [26F] Total <times> [26I].
26K	FY 2016/2017 Water Purchases - Year 2 RTS Charges - 85% If an 85/15 Producer, then their RTS charge of 85/15 eligible water at 85%. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26F] <times> 0.85.
26L	FY 2016/2017 Water Purchases - Year 2 RTS Charges - 100% RTS charge on all water not subject to the 85/15 Rule. "Total RTS Charge" <divided by> "Total Water Purchased" <times> [26E].
26M	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - RO The amount of water purchased to satisfy replenishment obligations through the end of production year 2014/15. Water was delivered in December 2017.
26N	FY 2017/2018 Water Purchase - Purchased Water in AF - 20171211 - DRO The amount of water purchased to be used towards the Desalter Replenishment Obligation. Water was delivered in December 2017.



Assessment Year 2019-2020 (Production Year 2018-2019)

Assessment Package References and Definitions

Column	Title Description
26O	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Acre-Feet Total production and exchanges of 85/15 Producers from fiscal year 2016/17. This is the basis of the 85/15 Rule for water purchased in fiscal year 2017/18.
26P	FY 2017/2018 Water Purchase - 2016/17 Prod & Exch From 85/15 Producers - Percent The percentage of each 85/15 Producer's total production and exchanges. [26O] divided by the sum of [26O].
26Q	FY 2017/2018 Water Purchase - Year 1 RTS Charges - 15% If an 85/15 Producer, then each 85/15 Producer's share of the total RTS charge of 85/15 eligible water in [26M].
26R	FY 2017/2018 Water Purchase - Year 1 RTS Charges - 85% If an 85/15 Producer, then their RTS charge of 85/15 eligible water in [26M] at 85%.
26S	FY 2017/2018 Water Purchase - Year 1 RTS Charges - 100% RTS charge on all water in [26N] and water not subject to the 85/15 Rule in [26M].
26T	TOTAL RTS CHARGES Total RTS Charge. [26J] + [26K] + [26L] + [26Q] + [26R] + [26S].

HISTORIC ASSESSMENTS PER ACRE-FOOT OF PRODUCTION

Assessment Year	Agricultural Pool ¹ (\$/AF)	Non-Ag Pool (\$/AF)	Appropriative Pool ² (\$/AF)	Gross Replenishment Water Rate (\$/AF)
77-78	0.29	0.32	0.42	
78-79	0.65	1.29	0.77	51.00
79-80	0.54	0.20	0.51	56.20
80-81	0.32	0.00	0.00	62.51
81-82	0.10	0.00	0.00	63.78
82-83	0.10	0.00	0.00	81.46
83-84	0.10	0.00	0.00	102.18
84-85	0.10	0.00	0.10	154.00
85-86	0.10	0.00	0.45	149.39
86-87	0.10	0.00	0.41	155.10
87-88	0.10	0.00	0.25	155.42
88-89	0.09	0.00	0.67	155.33
89-90	3.27	0.00	0.48	115.00
90-91	2.31	0.00	0.43	117.55
91-92	3.53	0.12	0.11	132.55
92-93	7.03	4.07	3.41	169.89
93-94	12.37	6.67	2.51	210.69
94-95	9.86	3.24	2.06	222.00
95-96	11.68	3.43	1.57	233.15
96-97	19.70	7.55	3.69	233.15
97-98	15.19	6.56	2.73	237.15
98-99	19.04	9.85	7.77	243.00
99-00	26.30	14.12	11.75	243.00
00-01	18.15	25.79	24.74	242.00
01-02	34.37	29.93	25.42	243.00
02-03	35.69	26.72	21.35	244.00
03-04	34.10	25.39	22.90	244.00
04-05	26.15	25.43	25.43	250.00
05-06	19.91	27.94	27.94	251.00
06-07	28.23	40.72	40.72	251.00
07-08	29.76	36.30	36.30	257.00
08-09	29.93	50.24	50.24	309.00
09-10	32.50	51.21	51.21	380.00
10-11	30.90	49.41	49.41	541.00
11-12	29.93	49.14	49.14	574.00
12-13	35.88	50.60	50.60	607.00
13-14	28.79	40.39	40.39	608.00
14-15	27.71	40.49	40.49	610.00
15-16	30.24	57.54	57.54	611.00
16-17	25.96	56.18	56.18	596.00
17-18	34.40	71.63	71.63	668.00
18-19	38.01	72.57	72.57	697.00
19-20	26.78	74.99	74.99	743.00

¹ \$/AF of water reallocated to the Appropriative Pool.

² Excludes amounts related to the debt service of the Recharge Improvement Project, and supplemental replenishment water purchases.

SUMMARY BUDGET FISCAL YEAR 2018-19

	FY 17-18		FY 18-19		Amended vs. Amended
	Approved Budget	Amended Budget	Approved Budget	Amended Budget	
4000 Mutual Agency Revenue	\$ 191,626	\$ 191,626	\$ 167,712	\$ 167,712	\$ (23,914)
4110 Appropriative Pool Assessments	11,279,242	11,279,242	8,301,750	8,306,750	(2,972,492)
4120 Non-Agricultural Pool Assessments	327,924	327,924	353,795	388,795	60,871
4730 Prorated Interest Income	39,906	39,906	63,968	63,968	24,062
4900 Miscellaneous Income	-	-	-	-	-
Total Income	11,838,698	11,838,698	8,887,225	8,927,225	(2,911,473)
Administrative Expenses					
6010 Salary Costs	1,022,564	1,022,564	1,062,695	1,062,695	40,131
6020 Office Building Expense	112,913	107,913	112,399	112,399	4,486
6030 Office Supplies & Equip.	28,850	24,350	40,850	40,850	16,500
6040 Postage & Printing Costs	45,693	45,693	47,142	47,142	1,449
6050 Information Services	152,912	152,912	163,656	163,656	10,744
6060 WM Special Contract Services	68,000	77,500	37,625	37,625	(39,875)
6070 Watermaster Legal Services	176,075	448,075	156,015	156,015	(292,060)
6080 Insurance Expense	29,768	29,768	30,315	30,315	547
6110 Dues and Subscriptions	24,885	24,885	34,590	34,590	9,705
6150 Field Supplies & Equipment	1,450	1,450	1,550	1,550	100
6170 Travel & Transportation	47,469	19,070	24,170	24,170	5,100
6190 Conferences & Seminars	37,428	37,428	37,857	37,857	429
6200 Advisory Committee Expenses	43,908	43,908	47,539	47,539	3,631
6300 Watermaster Board Expenses	175,546	153,546	178,980	178,980	25,434
8300 Appropriative Pool Administration	137,642	125,642	140,552	145,552	19,910
8400 Agricultural Pool Administration	373,503	399,656	374,654	374,654	(25,002)
8500 Non-Agricultural Pool Administration	108,507	96,507	109,837	144,837	48,330
9400 Depreciation Expense	-	-	-	-	-
9500 Allocated G&A Expenditures	(403,615)	(403,615)	(419,223)	(419,223)	(15,608)
Total Administrative Expenses	2,183,498	2,407,252	2,181,203	2,221,203	(186,049)
General OBMP Expenditures					
6900 Optimum Basin Mgmt Program	1,284,844	1,106,844	2,152,735	2,152,735	1,045,891
6950 Cooperative Efforts	-	-	-	-	-
9501 Allocated G&A Expenditures	84,298	84,298	120,532	120,532	36,234
Total General OBMP Expenses	1,369,142	1,191,142	2,273,267	2,273,267	1,082,125
OBMP Implementation Projects					
7101 Production Monitoring	54,742	70,742	64,875	64,875	(5,867)
7102 In-Line Meter Installation/Maintenance	68,072	68,072	380,107	380,107	312,035
7103 Groundwater Quality Monitoring	314,051	298,051	324,329	324,329	26,278
7104 Groundwater Level Monitoring	307,320	307,320	333,553	333,553	26,233
7105 Recharge Basin Water Quality Monitoring	-	-	-	-	-
7107 Ground Level Monitoring	286,714	358,729	321,499	321,499	(37,230)
7108 Hydraulic Control Monitoring Program	112,504	112,504	120,704	120,704	8,200
7109 Recharge & Well Monitoring Program	23,377	23,377	25,248	25,248	1,871
7200 OBMP Pgm Element 2 - Comp Recharge	1,324,086	1,313,332	1,334,437	1,334,437	21,105
7300 OBMP Pgm Element 3 & 5 - Water Supply Plan - Desalter	32,657	32,657	32,934	32,934	277
7400 OBMP Pgm Element 4 - Mgmt Zone Strategies	1,643,113	1,643,113	300,467	300,467	(1,342,646)
7500 OBMP Pgm Element 6 & 7 - Coop Efforts/Salt Mgmt	215,016	215,016	187,778	187,778	(27,238)
7600 OBMP Pgm Element 8 & 9 Storage Mgmt/Conj Use	230,213	515,414	127,048	127,048	(388,366)
7700 Inactive Well Protection Program	500	500	500	500	-
7690 Recharge Improvement Debt Projects	3,354,375	3,354,375	580,585	580,585	(2,773,790)
9502 Allocated G&A Expenditures	319,318	319,318	298,691	298,691	(20,627)
Total OBMP Implementation Projects	8,286,058	8,632,520	4,432,755	4,432,755	(4,199,765)
Total Expenses	11,838,698	12,230,914	8,887,225	8,927,225	(3,303,689)
Net Ordinary Income	-	(392,216)	-	-	392,216
9900 To / From Reserves	-	392,216	-	-	(392,216)
Net Other Income	-	392,216	-	-	(392,216)
Net Income	\$ -	\$ -	\$ -	\$ -	\$ -



Chino Basin Watermaster

Annual Financial Report

For the Fiscal Years Ended June 30, 2019 and 2018

Our Mission Statement

“To manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment”

<u>Pools</u>	<u>Name</u>	<u>Title</u>	<u>Current Term</u>
Agricultural	Paul Hofer	Member	Ongoing ¹
Agricultural	Jeff Pierson	Chair	Ongoing ¹
Non-Agricultural	Robert Bowcock	Member	Ongoing ¹
Appropriative	Darron Poulsen	Vice-Chair	January 2021 ^{1,2}
Appropriative	Gino L. Filippi	Member	January 2020 ^{1,2}
Appropriative	Eunice Ulloa	Member	January 2020 ^{1,2}
Municipal	Steve Elie	Member	Ongoing ¹
Municipal	Bob G. Kuhn	Secretary/Treasurer	Ongoing ¹
Municipal	Donald D. Galleano	Member	Ongoing ¹

¹ The Watermaster Board serves at the direction of Judge Reichert and was re-appointed for a five-year term, effective January 2019 through February 10, 2024 (Board approval on November 15, 2018).

² The Appropriative Pool’s rotation sequence for Board membership effective January 2019 was approved by the Appropriative Pool on November 8, 2018.

**Chino Basin Watermaster
Peter Kavounas PE, General Manager
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Rancho Cucamonga, California 91730
(909) 484-3888 – www.cbwm.org**

Chino Basin Watermaster
Annual Financial Report
For the Fiscal Years Ended June 30, 2019 and 2018

**Chino Basin Watermaster
Annual Financial Report
For the Fiscal Years Ended June 30, 2019 and 2018**

Table of Contents

	<u>Page No.</u>
Table of Contents	i
Introductory Section	
Letter of Transmittal	1-3
Financial Section	
Independent Auditor's Report	4-6
Management's Discussion and Analysis	7-11
Basic Financial Statements:	
Statements of Net Position	12
Statements of Revenues, Expenses and Changes in Net Position	13
Statements of Cash Flows	14-15
Notes to the Basic Financial Statements	16-42
Required Supplementary Information	
Schedules of Changes in Watermaster's Net OPEB Liability and Related Ratios	43
Schedule of Watermaster's OPEB Contributions	44
Schedules of the Watermaster's Proportionate Share of the Net Pension Liability	45
Schedules of Pension Plan Contributions	46
Supplemental Information Section	
Combining Schedule of Revenue, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2019	47
Combining Schedule of Revenue, Expenses, and Changes in Net Position for the Fiscal Year Ended June 30, 2018	48
Report on Compliance and Internal Controls	
Independent Auditor's Report on Compliance on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	49-50

Introductory Section



October 24, 2019

Board of Directors
Chino Basin Watermaster

Introduction

It is our pleasure to submit the Annual Financial Report for the Chino Basin Watermaster (Watermaster) for the fiscal years ended June 30, 2019 and 2018, following guidelines set forth by the Governmental Accounting Standards Board. The Watermaster is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the Watermaster's financial position and activities.

This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Supplemental. The Introductory section offers general information about the Watermaster's organization and current Watermaster activities and reports on a summary of significant financial results. The Financial section includes the Independent Auditor's Report, Management's Discussion and Analysis of the Watermaster's basic financial statements, and the Watermaster's audited basic financial statements with accompanying Notes. The Supplemental section includes combining revenue and expense schedules.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Watermaster's MD&A can be found immediately after the Independent Auditor's Report.

Watermaster Structure and Leadership

The Chino Basin Watermaster ("Watermaster") was established under a judgment entered in Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCVRS 51010 (formerly Case No. SCV 164327) entitled "Chino Basin Municipal Water District v. City of Chino, et al.", signed by the Honorable Judge Howard B. Weiner on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977. Under the Judgment, three Pool committees were formed: (1) Overlying (Agricultural) Pool which includes the State of California and all producers of water for overlying uses other than industrial or commercial purposes; (2) Overlying (Non-Agricultural) Pool which represents producers of water for overlying industrial or commercial purposes; and (3) Appropriative Pool which represents cities, special districts, other public or private entities and utilities. The three Pools act together to form the "Advisory Committee". Pursuant to the Judgment, the Chino Basin Municipal Water District (CBMWD) five member Board of Directors was initially appointed as "Watermaster". Pursuant to a recommendation of the Advisory Committee, the Honorable J. Michael Gunn appointed a nine-member board as Watermaster on February 19, 1998.

The General Manager administers the day-to-day operations of the Watermaster in accordance with policies and procedures established by the Board of Directors. The Watermaster staff includes ten regular, full-time employees. The Watermaster's three Pools, the Advisory Committee, and the Board of Directors meet each month.

Watermaster Mission and Services

Chino Basin Watermaster's mission is "To manage the Chino Groundwater Basin in the most beneficial manner and to equitably administer and enforce the provisions of the Chino Basin Watermaster Judgment", Case No. RCVRS 51010 (formerly Case No. SCV 164327). The Watermaster provides the Chino Groundwater Basin service area with services which primarily include: accounting for water appropriations and components of acre footage of stored water by agency, purchase of replenishment water, groundwater monitoring and implementation of special projects. The Watermaster is progressively and actively implementing the Basin's Optimum Basin Management Program which includes extensive monitoring, further developing recharge capabilities, storage and recovery projects, managing salt loads, developing new yield such as reclaimed and storm water recharge and continuing to work with other agencies and entities to enhance this significant natural resource.

Watermaster expenditures are allocated to the pools based on the prior year's production volume (or the same percentage used to set the annual assessments).

Economic Condition and Outlook

The Watermaster's office is located in the City of Rancho Cucamonga in San Bernardino County which has experienced tempered economic growth within the region. The economic outlook for the Southern California region is one of cautious growth as the region recovers from a prolonged financial down turn.

Internal Control Structure

Watermaster management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the Watermaster are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data that is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Watermaster's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The Advisory Committee annually approves, and the Board of Directors annually adopts an operating budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the Watermaster's enterprise operations. The budget and reporting treatment applied to the Watermaster is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, Watermaster's ordinance and resolutions, prudent money management, and the "prudent person" standards. The objectives of the Investment Policy are safety, liquidity and yield. Watermaster funds are invested in the State Treasurer's Local Agency Investment Fund and an institutional checking account.

Water Rates and Watermaster Revenues

The Judgment prescribes Watermaster's authority and specifies classes of water production assessments to be used to fund certain activities. Those assessment categories are: Administration, Optimum Basin Management Program, Special Projects and Replenishment. Each class of assessment has a prescribed purpose and water production base. Assessment revenue is Watermaster's principal source of income.

Audit and Financial Reporting

State Law requires the Watermaster to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Fedak & Brown LLP has conducted the audit of the Watermaster's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.


Other References


More information is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

Preparation of this report was accomplished by the combined efforts of Watermaster staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the Watermaster. We would also like to thank the members of the Board of Directors for their continued support in planning and implementation of the Chino Basin Watermaster's fiscal policies.

Respectfully submitted,


Peter Kavounas, P.E.
General Manager


Joseph S. Joswiak, MBA
Chief Financial Officer

Financial Section



Fedak & Brown LLP

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Independent Auditor's Report

Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

Report on the Financial Statements

We have audited the accompanying financial statements of Chino Basin Watermaster (Watermaster) as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Watermaster, as of June 30, 2019 and 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report, continued

Emphasis of a Matter

As discussed in note 1 to the financial statements, the Watermaster adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for the years ended June 30, 2019 and 2018. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 11, the required supplementary information on pages 43 through 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Watermaster's basic financial statements. The introductory section on pages 1 through 3 and combining schedule of revenue, expenses and changes in net position on pages 47 and 48, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedule of revenue, expenses and changes in net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules of revenue, expenses and changes in net position are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Independent Auditor's Report, continued

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2019, on our consideration of the Watermaster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Watermaster's internal control over financial reporting and compliance. This report can be found on pages 49 and 50.

Fedak & Brown LLP

Fedak & Brown LLP
Cypress, California
October 24, 2019

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2019 and 2018

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Chino Basin Watermaster (Watermaster) provides an introduction to the financial statements of the Watermaster for the fiscal years ended June 30, 2019 and 2018. We encourage readers to consider the information presented here with additional information that we have furnished in conjunction with the transmittal letter in the Introductory Section and with the accompanying basic financial statements and related notes, which follow this section.

Financial Highlights

- The Watermaster's net position decreased by 16.51% or \$1,612,215, as a result of ongoing operations. In fiscal year 2018, the Watermaster's net position increased by 12.06% or \$1,051,508 as a result of ongoing operations and the effect of a prior period adjustment in the amount of \$296,749. Please see Note 10 to the basic financial statements for further discussion.
- The Watermaster's total revenues increased by 0.85% or \$84,827. In fiscal year 2018, the Watermaster's total revenues decreased by 16.67% or \$1,996,332.
 - Operating revenues decreased by 0.36% or \$35,823. In fiscal year 2018, operating revenues decreased by 17.48% or \$2,080,420.
 - Non-operating revenues increased by 77.97% or \$120,650. In fiscal year 2018, non-operating revenue increased by 119.01% or \$84,088.
- The Watermaster's total expenses increased by 26.59% or \$2,451,801. In fiscal year 2018, the Watermaster's total expenses decreased by 29.29% or \$3,819,813.
 - Operating expenses increased by 27.01% or \$2,466,699. In fiscal year 2018, operating expenses decreased by 28.90% or \$3,711,904.
 - Non-operating expenses decreased by 26.36% or \$20,655. In fiscal year 2018, non-operating expenses decreased by 58.85% or \$112,125.

Required Financial Statements

This annual report consists of a series of financial statements. The Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position and Statements of Cash Flows provide information about the activities and performance of the Watermaster using accounting methods similar to those used by private sector companies.

The Statements of Net Position includes all of the Watermaster's investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the Watermaster and assessing the liquidity and financial flexibility of the Watermaster. All of the current year's revenue and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the Watermaster's operations over the past year and can be used to determine if the Watermaster has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the Watermaster's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2019 and 2018

Financial Analysis of the Watermaster

One of the most important questions asked about the Watermaster's finances is, "Is the Watermaster better off or worse off as a result of this year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position report information about the Watermaster in a way that helps answer this question.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the Watermaster's *net position* and changes in them. You can think of the Watermaster's net position – the difference between assets, deferred outflow of resources, and liabilities and deferred inflows of resources – as one way to measure the Watermaster's financial health, or *financial position*. Over time, *increases or decreases* in an organization's net position is one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in federal and state water quality standards. Watermaster is funded on a year-by-year basis through a Court-mandated process.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 16 through 42.

Statements of Net Position

Condensed Statements of Net Position					
	2019	2018	Change	2017	Change
Assets:					
Current assets	\$ 10,340,912	11,736,601	(1,395,689)	11,758,298	(21,697)
Capital assets, net	68,106	43,558	24,548	13,997	29,561
Total assets	10,409,018	11,780,159	(1,371,141)	11,772,295	7,864
Deferred outflows of resources	337,794	478,980	(141,186)	451,446	27,534
Liabilities:					
Current liabilities	866,133	755,892	110,240	1,716,958	(961,065)
Non-current liabilities	1,715,597	1,693,678	21,919	1,731,968	(38,291)
Total liabilities	2,581,729	2,449,570	132,159	3,448,926	(999,356)
Deferred inflows of resources	9,861	42,132	(32,271)	58,886	(16,754)
Net position:					
Net investment in capital assets	68,106	43,558	24,548	13,997	29,561
Restricted	845	845	-	15,000	(14,155)
Unrestricted	8,086,271	9,723,034	(1,636,763)	8,686,932	1,036,102
Total net position	\$ 8,155,222	9,767,437	(1,612,215)	8,715,929	1,051,508

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2019 and 2018

Statements of Net Position, continued

As noted earlier, net position may serve over time as a useful indicator of an organization's financial position. In the case of the Watermaster, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$8,155,222 and \$9,767,437 as of June 30, 2019 and 2018, respectively.

The Watermaster's investment in capital assets is comprised of capital assets (net of accumulated depreciation) less any related debt (where applicable) used to acquire those assets that are still outstanding. The Watermaster uses these capital assets to provide services to customers within the Watermaster's service area; consequently, these assets are not available for future spending.

At the end of fiscal years 2019 and 2018, the Watermaster reflected a positive balance in its unrestricted net position of \$8,086,271 and \$9,723,034, respectively that may be utilized in future years. (See Note 11)

Statements of Revenues, Expenses and Changes in Net Position

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>2017</u>	<u>Change</u>
Revenues:					
Operating revenues	\$ 9,785,844	9,821,667	(35,823)	11,902,087	(2,080,420)
Non-operating revenues	<u>275,394</u>	<u>154,744</u>	<u>120,650</u>	<u>70,656</u>	<u>84,088</u>
Total revenues	<u>10,061,238</u>	<u>9,976,411</u>	<u>84,827</u>	<u>11,972,743</u>	<u>(1,996,332)</u>
Expenses:					
Operating expense	11,599,897	9,133,198	2,466,699	12,845,102	(3,711,904)
Depreciation	15,824	10,057	5,767	5,841	4,216
Non-operating expense	<u>57,732</u>	<u>78,397</u>	<u>(20,665)</u>	<u>190,522</u>	<u>(112,125)</u>
Total expenses	<u>11,673,453</u>	<u>9,221,652</u>	<u>2,451,801</u>	<u>13,041,465</u>	<u>(3,819,813)</u>
Change in net position	<u>(1,612,215)</u>	<u>754,759</u>	<u>(2,366,974)</u>	<u>(1,068,722)</u>	<u>1,823,481</u>
Net position, beginning of period, as previously stated	9,767,437	8,715,929	1,051,508	9,784,651	(1,068,722)
Prior period adjustment (note 10)	<u>-</u>	<u>296,749</u>	<u>(296,749)</u>	<u>-</u>	<u>296,749</u>
Net position, beginning of period, as restated	<u>9,767,437</u>	<u>9,012,678</u>	<u>754,759</u>	<u>9,784,651</u>	<u>(771,973)</u>
Net position, end of period	<u>\$ 8,155,222</u>	<u>9,767,437</u>	<u>(1,612,215)</u>	<u>8,715,929</u>	<u>1,051,508</u>

The statements of revenues, expenses and changes of net position show how the Watermaster's net position changed during the fiscal years.

In fiscal year 2019, Watermaster's net position decreased by 16.51% or \$1,612,215, which is primarily comprised of an increase in operating expenses of \$2,466,699 and an increase in investment earnings of \$120,650. In fiscal year 2018, the Watermaster's net position increased by increased by 12.06% or \$1,051,508 as a result of ongoing operations and the effect of a prior period adjustment in the amount of \$296,749. Please see Note 10 to the basic financial statements for further discussion.

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2019 and 2018

Statements of Revenues, Expenses and Changes in Net Position, continued

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2019, Watermaster's total revenues increased by 0.85% or \$84,827 due primarily to increases in non-operating revenue of \$120,650, which was offset by decreases in operating revenue of \$25,823. The change in non-operating revenue was strictly due to an increase in investment earnings of \$120,650. The change in operating revenue was primarily due to a decrease in administrative assessments of \$77,055, which was offset by an increase in replenishment water revenue of \$68,721.

In fiscal year 2018, Watermaster's total revenues decreased by 16.67% or \$1,996,332 due primarily to decreases in operating revenue of \$2,080,420, which was offset by increases in non-operating revenue of \$84,088. The change in operating revenue was primarily due to decreases in administrative assessments of \$1,429,767 and replenishment water revenue of \$686,344. The change in non-operating revenue was strictly due to an increase in investment earnings of \$84,088.

In fiscal year 2019, Watermaster's total expenses increased by 26.59% or \$2,451,801 due primarily to increases in operating expenses of \$2,466,699, which was offset by increases in non-operating expenses of \$20,665. The change in operating expenses was primarily due to increases in optimum basin management plan of \$2,133,351 and Watermaster administration of \$373,454. The change in non-operating expense was strictly due to a decrease in reverse distribution of \$20,665.

In fiscal year 2018, Watermaster's total expenses decreased by 29.29% or \$3,819,813, due primarily to \$3,711,904 decreases in operating expenses and \$112,125 decreases in non-operating expenses. The change in operating expenses was primarily due to an increase in groundwater replenishment and other water purchases of \$3,357,804. The change in non-operating expense was strictly due to a decrease in reverse distribution of \$112,125.

Capital Asset Administration

At the end of fiscal year 2019 and 2018, the Watermaster's investment in capital assets amounted to \$68,106 and \$43,558 (net of accumulated depreciation), respectively. This investment in capital assets includes leasehold improvements, office equipment, and vehicles. The capital assets of the Watermaster are more fully analyzed in Note 3 to the basic financial statements.

Changes in capital assets in 2019 were as follows:

	<u>Balance 2018</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance 2019</u>
Capital assets:				
Depreciable assets	\$ 274,700	40,373	-	315,073
Accumulated depreciation	<u>(231,142)</u>	<u>(15,825)</u>	-	<u>(246,967)</u>
Total capital assets	<u>\$ 43,558</u>	<u>24,548</u>	<u>-</u>	<u>68,106</u>

Changes in capital assets in 2018 were as follows:

	<u>Balance 2017</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance 2018</u>
Capital assets:				
Depreciable assets	\$ 270,604	39,618	(35,522)	274,700
Accumulated depreciation	<u>(256,607)</u>	<u>(10,057)</u>	35,522	<u>(231,142)</u>
Total capital assets	<u>\$ 13,997</u>	<u>29,561</u>	<u>-</u>	<u>43,558</u>

Chino Basin Watermaster
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2019 and 2018

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the Watermaster's current financial position, net assets or operating results based on past, present and future events.

Requests for Information

This financial report is designed to provide the Watermaster's present users, including funding sources, customers, stakeholders and other interested parties with a general overview of the Watermaster's finances and to demonstrate Watermaster's accountability with an overview of Watermaster's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Watermaster's Chief Financial Officer, Joseph S. Joswiak, at Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA 91730 or (909) 484-3888.

Basic Financial Statements

**Chino Basin Watermaster
Statements of Net Position
June 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents (note 2)	\$ 9,855,150	11,572,318
Cash and cash equivalents - restricted (note 2)	845	845
Accounts receivable	66,992	62,287
Accrued interest receivable	67,991	57,429
Prepaid expenses and other current assets	349,934	43,722
Total current assets	<u>10,340,912</u>	<u>11,736,601</u>
Non-current assets:		
Capital assets, net (note 3)	68,106	43,558
Total non-current assets	<u>68,106</u>	<u>43,558</u>
Total assets	<u>10,409,018</u>	<u>11,780,159</u>
Deferred outflows of resources:		
Deferred outflows of resources (notes 4 and 9)	337,794	478,980
Total deferred outflows of resources	<u>337,794</u>	<u>478,980</u>
Current liabilities:		
Accounts payable and accrued expenses	705,637	611,457
Accrued salaries and benefits	44,957	40,674
Long-term liabilities – due within one year:		
Compensated absences (note 5)	115,539	103,761
Total current liabilities	<u>866,133</u>	<u>755,892</u>
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 5)	214,572	192,700
Net OPEB liability (note 6)	214,783	208,799
Net pension liability (note 9)	1,188,162	1,210,470
Employee compensation plan (note 8)	98,080	81,709
Total non-current liabilities	<u>1,715,597</u>	<u>1,693,678</u>
Total liabilities	<u>2,581,729</u>	<u>2,449,570</u>
Deferred inflows of resources:		
Deferred inflows of resources (notes 4, 6, 9)	9,861	42,132
Total deferred inflows of resources	<u>9,861</u>	<u>42,132</u>
Net Position: (note 11)		
Net investment in capital assets	68,106	43,558
Restricted	845	845
Unrestricted	8,086,271	9,723,034
Total net position	<u>\$ 8,155,222</u>	<u>9,767,437</u>

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Operating revenues:		
Administrative assessments	\$ 8,690,772	8,767,827
Replenishment water revenue	927,239	858,518
Other revenue	<u>167,833</u>	<u>195,322</u>
Total operating revenue	<u>9,785,844</u>	<u>9,821,667</u>
Operating expenses:		
Groundwater replenishment and other water purchases	619,110	763,169
Optimum basin management plan	7,779,223	5,645,872
Watermaster administration	2,427,427	2,053,973
Pool, advisory, and board administration	<u>774,137</u>	<u>670,184</u>
Total operating expense	<u>11,599,897</u>	<u>9,133,198</u>
Operating income before depreciation	(1,814,053)	688,469
Depreciation expense	<u>(15,824)</u>	<u>(10,057)</u>
Operating income	<u>(1,829,877)</u>	<u>678,412</u>
Non-operating revenue (expense):		
Reserve distribution	(57,732)	(78,397)
Investment earnings	<u>275,394</u>	<u>154,744</u>
Total non-operating revenue, net	<u>217,662</u>	<u>76,347</u>
Change in net position	<u>(1,612,215)</u>	<u>754,759</u>
Net position, beginning of period, as previously stated	9,767,437	8,715,929
Prior period adjustment (note 10)	<u>-</u>	<u>296,749</u>
Net position, beginning of period, as restated	<u>9,767,437</u>	<u>9,012,678</u>
Net position at end of period	<u>\$ 8,155,222</u>	<u>9,767,437</u>

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Cash received from stakeholders	\$ 9,781,139	9,977,365
Cash paid to employees for salaries and wages	(1,244,207)	(1,109,913)
Cash paid to vendors and suppliers for materials and services	<u>(10,420,828)</u>	<u>(8,778,330)</u>
Net cash (used in) provided by operating activities	<u>(1,883,896)</u>	<u>89,122</u>
Cash flows from non-capital financing activities:		
Payments for non-operating expenses	<u>(57,732)</u>	<u>(78,397)</u>
Net cash used in non-capital financing activities	<u>(57,732)</u>	<u>(78,397)</u>
Cash flows from capital financing activities:		
Acquisition of capital assets	<u>(40,372)</u>	<u>(39,618)</u>
Net cash used in capital financing activities	<u>(40,372)</u>	<u>(39,618)</u>
Cash flows from investing activities:		
Investment earnings received	<u>264,832</u>	<u>126,710</u>
Net cash provided by investing activities	<u>264,832</u>	<u>126,710</u>
Net increase in cash and cash equivalents	(1,717,168)	97,817
Cash and cash equivalents at the beginning of year	<u>11,573,163</u>	<u>11,475,346</u>
Cash and cash equivalents at the end of year	\$ <u><u>9,855,995</u></u>	<u><u>11,573,163</u></u>
Reconciliation of cash and cash equivalents to statements of net position:		
Cash and cash equivalents	\$ 9,855,150	11,572,318
Cash and cash equivalents - restricted	<u>845</u>	<u>845</u>
Total cash and cash equivalents	\$ <u><u>9,855,995</u></u>	<u><u>11,573,163</u></u>

Continued on next page

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Statements of Cash Flows, continued
For the Fiscal Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ <u>(1,829,877)</u>	<u>678,412</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	15,824	10,057
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
(Increase) decrease in assets and deferred outflows of resources:		
Accounts receivable	(4,705)	155,698
Prepaid expenses and other current assets	(306,212)	(8,150)
Deferred outflows of resources	141,186	(27,534)
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable and accrued expense	94,180	(980,650)
Accrued salaries and benefits	4,283	7,787
Compensated absences	33,649	33,708
Other post employment benefits obligation	-	296,749
Net OPEB liability	5,984	(259,373)
Net pension liability	(22,308)	166,608
Employee compensation plan	16,371	32,564
Deferred inflows of resources	<u>(32,271)</u>	<u>(16,754)</u>
Total adjustments	<u>(54,019)</u>	<u>(589,290)</u>
Net cash provided by operating activities	\$ <u><u>(1,883,896)</u></u>	<u><u>89,122</u></u>

See accompanying notes to the basic financial statements

Chino Basin Watermaster
Notes to the Financial Statements
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Chino Basin Watermaster ("Watermaster") was established under a judgment entered in Superior Court of the State of California for the County of San Bernardino as a result of Case No. RCV 51010 (formerly Case No. SCV 164327) entitled "Chino Basin Municipal Water District v. City of Chino, et al.", signed by the Honorable Judge Howard B. Weiner on January 27, 1978. The effective date of this Judgment for accounting and operations was July 1, 1977.

Pursuant to the Judgment, the Chino Basin Municipal Water District (CBMWD) five member Board of Directors was initially appointed as "Watermaster". Their term of appointment as Watermaster was for five years, and the Court, by subsequent orders, provided for successive terms, or for a successor Watermaster. Pursuant to a recommendation of the Advisory Committee, the Honorable J. Michael Gunn appointed a nine-member board as Watermaster on September 28, 2000.

Under the Judgment, three Pool committees were formed: (1) Overlying (Agricultural) Pool which includes the State of California and all producers of water for overlying uses other than industrial or commercial purposes; (2) Overlying (Non-Agricultural) Pool which represents producers of water for overlying industrial or commercial purposes; and (3) Appropriative Pool which represents cities, districts, other public or private entities and utilities. The three Pool committees act together to form the "Advisory Committee."

The Watermaster provides the Chino Groundwater Basin service area with services which primarily include: accounting for water appropriations and components of acre-footage of stored water by agency, purchase of replenishment water, groundwater monitoring and implementation of special projects.

Watermaster expenditures are allocated to the pools based on the prior year's production volume (or the same percentage used to set the annual assessments). Allocations for fiscal year 2018-2019 expenses are based on the 2017-2018 production volume.

<u>Production volume</u>	<u>Fiscal Year 2019</u>		<u>Fiscal Year 2018</u>	
	<u>Acre Feet</u>	<u>Percentage</u>	<u>Acre Feet</u>	<u>Percentage</u>
Appropriative Pool	76,860	70.246%	82,269	72.597%
Agricultural Pool	28,461	26.012%	26,862	23.704%
Non-agricultural Pool	4,094	3.742%	4,192	3.699%
Total production volume	<u>109,415</u>	<u>100.000%</u>	<u>113,323</u>	<u>100.000%</u>

The Agricultural Pool members ratified an agreement with the Appropriative Pool at their meeting of June 16, 1988, wherein the Appropriative Pool assumes Agricultural Pool administrative expenses and special project cost allocations in exchange for an accelerated transfer of un-pumped agricultural water to the Appropriative Pool. In addition the Agricultural Pool transferred all pool administrative reserves at June 30, 1988, to the Appropriative Pool effective July 1, 1988.

In July of 2000, the principal parties in the Basin signed an agreement, known as the Peace Agreement, which among other things formalized the commitment of the Basin parties to implement an Optimum Basin Management Program. The Peace Agreement was signed by all of the parties, and the Court has approved the agreement and ordered the Watermaster to proceed in accordance with the terms of the agreement. The Court has approved revisions to the Chino Basin Watermaster Rules and Regulations.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus

The Watermaster reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Watermaster is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as replenishment water revenues and groundwater replenishment, result from exchange transactions associated with the principal activity of the Watermaster. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Financial Reporting

The Watermaster's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Watermaster solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the Watermaster's proprietary fund.

The Watermaster has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 83

In November 2016, the GASB issued Statement No. 83 – *Certain Asset Retirement Obligations*. This Statement (1) addresses accounting and financial reporting for certain asset retirement obligations (AROs), (2) establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs, (3) requires that recognition occur when the liability is both incurred and reasonably estimable, (4) requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, (5) requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually, and (6) requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 88

In April 2018, the GASB issued Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting

Governmental Accounting Standards Board Statement No. 88, continued

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the Watermaster's cash is invested in interest-bearing accounts. The Watermaster considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

3. Investments

The Watermaster has adopted an investment policy directing the General Manager to invest and reinvest funds subject to the provisions of Watermaster's Investment Policy and the ongoing review and control of Watermaster and the Watermaster Advisory Committee in accordance with California Government Code section 53600.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

4. Fair Value Measurements

The Watermaster categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- **Level 1** – Valuation is based on quoted prices in active markets for identical assets.
- **Level 2** – Valuation is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3** – Valuation is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

5. Accounts Receivable and Allowance for Uncollectible Accounts

The Watermaster extends credit to customers in the normal course of operations. Management has determined that all amounts are considered collectable. As a result, the Watermaster has not recorded an allowance for doubtful accounts at June 30, 2019 and 2018.

6. Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

7. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. Donated assets are recorded at estimated fair market value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment and software	5 years
Office furniture and fixtures	7 years
Leasehold improvements	10 years
Automotive equipment	7 years

8. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of resources that is applicable to future periods.

9. Deferred Inflows of Resources

Deferred inflows of resources represent the acquisition of resources that is applicable to future periods.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

10. Compensated Absences

The Watermaster's policy is to permit eligible employees to accumulate earned vacation up to a total of 320 hours. Employees may receive pay in lieu of using vacation for up to one-half of their annual vacation accrual if: (1) within the prior twelve months, the employee has used vacation in an amount equal to at least half of their annual vacation accrual rate; and (2) the employee has a minimum remaining accrued vacation balance of at least 40 hours. Eligible employees accrue and accumulate sick leave based on Watermaster policy. Twice a year, employees may buy-back accrued sick leave at 50% of their current pay provided that at least 480 hours of accrued sick leave remain after the cash-out. Upon termination of employment, employees are paid all unused vacation, and unused sick time is paid out based on Watermaster policy.

11. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Watermaster's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Date: June 30, 2017 and 2016
- Measurement Date: June 30, 2018 and 2017
- Measurement Period: July 1, 2017 to June 30, 2018 and July 1, 2016 to June 30, 2017

12. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Watermaster's Retiree Health Plan and additions to/deductions from the Watermaster's fiduciary net position have been determined on the same basis as they are reported by the Watermaster. For this purpose, the Watermaster recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

13. Water Production Assessments

Water Production Assessment categories include: Administration, Optimum Basin Management Program, Special Projects, and Water Replenishment. Assessments are billed on a yearly basis.

14. Budgetary Policies

The Watermaster adopts an annual operational budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

15. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

- Net Investment in Capital Assets Component of Net Position – This component of net position consists of capital assets, net of accumulated depreciation and is reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets.
- Restricted Component of Net Position – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Component of Net Position – This component of net position consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

(2) Cash and Investments

Cash and investments as of June 30 are classified in the Statement of Net Position as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 9,855,150	11,572,318
Cash and cash equivalents - restricted	<u>845</u>	<u>845</u>
	<u>\$ 9,855,995</u>	<u>11,573,163</u>

Cash and investments as of June 30 consist of the following:

	<u>2019</u>	<u>2018</u>
Cash on hand	\$ 500	500
Deposits held in trust with County of San Bernardino	845	845
Deposits with financial institutions	383,936	668,805
Investments	<u>9,470,714</u>	<u>10,903,013</u>
Total cash and investments	<u>\$ 9,855,995</u>	<u>11,573,163</u>

As of June 30, Watermaster's authorized deposits had the following maturities:

	<u>2019</u>	<u>2018</u>
Deposits held with the California Local Agency Investment Fund	173 days	194 days

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(2) Cash and Investments, continued

Investments Authorized by the California Government Code and the Watermaster's Investment Policy

The table below identifies the investment types that are authorized by the Watermaster in accordance with the California Government Code (or the Watermaster's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Watermaster's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
Federal Agency and bank obligations	5 years	None	None
Certificates of Deposits and Time Deposits	5 years	30%	None
Commercial Paper	270 days	10%	10%
Money Market Mutual Funds	90 days	20%	10%
State and Local Bonds, Notes and Warrants	5 years	10%	None
California Local Agency Investment Fund (LAIF)	N/A	None	None
Investment Trust of California (CaITRUST)	N/A	20%	None

Investment in State Investment Pool

The Watermaster is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of Watermaster's investment in this pool is reported in the accompanying financial statements at amounts based upon Watermaster's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Watermaster's deposit and withdrawal restrictions and limitations are as follows:

- Same day transaction processing occurs for orders received before 10:00 a.m.
- Next day transactions processing occurs for orders received after 10:00 a.m.
- Maximum limit of 15 transactions (combination of deposits and withdrawals) per month.
- Minimum transaction amount requirement of \$5,000, in increments of \$1,000 dollars.
- Withdrawals of \$10,000,000 or more require 24 hours advance.
- Prior to funds transfer, an authorized person must call LAIF for verbal authorization.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits, or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Watermaster's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits:

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(2) Cash and Investments, continued

Custodial Credit Risk, continued

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the Watermaster's bank balances, up to \$250,000 at June 30, 2019, were federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the Watermaster's name.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the Watermaster's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Watermaster manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide for cash flow requirements and liquidity needed for operations.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Watermaster's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Credit ratings of investments as of June 30, 2019 were as follows:

Investment Type	Total	Minimum Legal Rating	Not Rated
California Local Agency Investment Fund	\$ 9,470,714	N/A	9,470,714

Credit ratings of investments as of June 30, 2018 were as follows:

Investment Type	Total	Minimum Legal Rating	Not Rated
California Local Agency Investment Fund	\$ 10,903,013	N/A	10,903,013

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(2) Cash and Investments, continued

Concentration of Credit Risk

The Watermaster's investment policy contains no limitations on the amounts that can be invested in any one issuer as beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than for U.S. Treasury securities, mutual funds, and external investment pools) that represented 5% or more of total Watermaster's investment at June 30, 2019 and 2018.

(3) Capital Assets

Changes in capital assets for 2019 were as follows:

	<u>Balance</u> <u>2018</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance</u> <u>2019</u>
Depreciable assets:				
Computer equipment	\$ 107,551	-	-	107,551
Furniture and fixtures	49,126	40,373	-	89,499
Leasehold improvements	23,443	-	-	23,443
Vehicles and equipment	94,580	-	-	94,580
Total depreciable assets	<u>274,700</u>	<u>40,373</u>	<u>-</u>	<u>315,073</u>
Accumulated depreciation:				
Computer equipment	(106,018)	(1,534)	-	(107,552)
Furniture and fixtures	(41,059)	(8,631)	-	(49,690)
Leasehold improvements	(23,443)	-	-	(23,443)
Vehicles and equipment	(60,622)	(5,660)	-	(66,282)
Total accumulated depreciation	<u>(231,142)</u>	<u>(15,825)</u>	<u>-</u>	<u>(246,967)</u>
Total capital assets, net	\$ <u>43,558</u>			<u>68,106</u>

Changes in capital assets for 2018 were as follows:

	<u>Balance</u> <u>2017</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance</u> <u>2018</u>
Depreciable assets:				
Computer equipment	\$ 107,551	-	-	107,551
Furniture and fixtures	49,126	-	-	49,126
Leasehold improvements	23,443	-	-	23,443
Vehicles and equipment	90,484	39,618	(35,522)	94,580
Total depreciable assets	<u>270,604</u>	<u>39,618</u>	<u>(35,522)</u>	<u>274,700</u>
Accumulated depreciation:				
Computer equipment	(104,484)	(1,534)		(106,018)
Furniture and fixtures	(38,196)	(2,863)		(41,059)
Leasehold improvements	(23,443)			(23,443)
Vehicles and equipment	(90,484)	(5,660)	35,522	(60,622)
Total accumulated depreciation	<u>(256,607)</u>	<u>(10,057)</u>	<u>35,522</u>	<u>(231,142)</u>
Total capital assets, net	\$ <u>13,997</u>			<u>43,558</u>

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(4) Deferred Outflows and Inflows of Resources

Changes in deferred outflows and inflows of resources for 2019 were as follows:

	<u>Balance 2018</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance 2019</u>
Deferred outflows of resources				
Deferred pension outflows	\$ 466,761	155,871	(284,838)	337,794
Deferred OPEB outflows	<u>12,219</u>	<u>-</u>	<u>(12,219)</u>	<u>-</u>
Total deferred outflows of resources	\$ <u>478,980</u>	<u>155,871</u>	<u>(297,057)</u>	<u>337,794</u>

	<u>Balance 2018</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance 2019</u>
Deferred inflows of resources				
Deferred pension inflows	\$ 42,132	-	(37,159)	4,973
Deferred OPEB inflows	<u>-</u>	<u>5,363</u>	<u>(475)</u>	<u>4,888</u>
Total deferred inflows of resources	\$ <u>42,132</u>	<u>5,363</u>	<u>(37,634)</u>	<u>9,861</u>

Changes in deferred outflows and inflows of resources for 2018 were as follows:

	<u>Balance 2017</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance 2018</u>
Deferred outflows of resources				
Deferred pension outflows	\$ 451,446	259,385	(244,070)	466,761
Deferred OPEB outflows	<u>-</u>	<u>14,256</u>	<u>(2,037)</u>	<u>12,219</u>
Total deferred outflows of resources	\$ <u>451,446</u>	<u>273,641</u>	<u>(246,107)</u>	<u>478,980</u>

	<u>Balance 2017</u>	<u>Additions</u>	<u>Amortization</u>	<u>Balance 2018</u>
Deferred inflows of resources				
Deferred pension inflows	\$ 58,886	40,821	(57,575)	42,132
Total deferred inflows of resources	\$ <u>58,886</u>	<u>40,821</u>	<u>(57,575)</u>	<u>42,132</u>

(5) Compensated Absences

The changes to compensated absences for 2019 were as follows:

	<u>Balance 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 2019</u>	<u>Due Within One Year</u>	<u>Due in more than one year</u>
\$	<u>296,461</u>	<u>162,312</u>	<u>(128,663)</u>	<u>330,110</u>	<u>115,539</u>	<u>214,572</u>

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(5) Compensated Absences, continued

The changes to compensated absences for 2018 were as follows:

<u>Balance</u> <u>2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>2018</u>	<u>Current</u>	<u>Long Term</u>
\$ 262,753	151,308	(117,600)	296,461	103,761	192,700

(6) Other Post-Employment Benefits Payable

Plan Description

The Watermaster's defined benefit Other Post-Employment Benefit (OPEB) Plan (Plan) provides OPEB for all permanent and vested full-time employees. The Plan is a single-employer defined benefit OPEB plan administered by the Watermaster. The Watermaster's Board has the authority to establish and amend the benefit terms and financing requirements of the Plan. Watermaster participates in a CalPERS Health Program, a community-rated program for its medical coverage. Watermaster does not have an OPEB trust established and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Plan provides a contribution equal to 50% of the retiree only costs for eligible retirees and surviving spouses in receipt of a pension benefit from CalPERS. An employee is eligible for this employer contribution provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit within 120 days of retirement from the Watermaster.

Vesting requires at least 5 years of CalPERS total service. The surviving spouse of an eligible retiree who elected spouse coverage under CalPERS is eligible for the employer contribution upon death of the retiree. Board members during or prior to 1994 are also eligible for a Watermaster contribution at retirement.

Employee Covered by Benefit Terms

At June 30, 2019 and 2018, the following employees were covered by the benefit terms:

	<u>2019</u>	<u>2018</u>
Active employees	9	9
Inactive employees or beneficiaries currently receiving benefit payments	5	5
Total plan membership	14	14

Total OPEB Liability

The Watermaster's total OPEB liability of \$214,783 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(6) Other Post-Employment Benefits Payable, continued

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019 actuarial valuation, which was measured at December 31, 2018, was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	December 31, 2017
Measurement Date	December 31, 2018
Actuarial cost method	Entry Age Normal cost method in accordance with the requirements of GASB Statement No. 75
Inflation	2.75% per annum
Salary increases	3.0% per annum, in aggregate
Discount rate	3.80%; the discount rate is based on the resulting rate using the average of 3-20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, Fidelity GO AA 20 Year Bond Index
Healthcare cost trend rates	6.0% and 6.5% for HMO and PPO, respectively as of June 30, 2019, decreasing 0.5% per year to an ultimate rate of 5.0% for both HMO and PPO as of June 30, 2022 and later years.

Changes in the Net OPEB Liability

Changes in the net OPEB Liability as of June 30, 2019 (measured at December 31, 2018) were as follows:

	Increase (Decrease)		
		Plan	
	Total OPEB	Fiduciary	Net OPEB
	Liability (a)	Net Position	Liability/(Asset)
	(b)	(b)	(c) = (a) - (b)
Balance at July 1, 2018	\$ 208,799	-	208,799
Changes during the year:			
Service cost	18,418	-	18,418
Interest	7,571	-	7,571
Changes in assumptions	(17,582)	-	(17,582)
Contributions - employer	-	2,423	(2,423)
Benefit payments	(2,423)	(2,423)	-
Net changes	5,984	-	5,984
Balance at June 30, 2019	\$ 214,783	-	214,783

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(6) Other Post-Employment Benefits Payable, continued

Changes in the Net OPEB Liability, continued

Changes in the net OPEB Liability as of June 30, 2018 (measured at December 31, 2017) were as follows:

	Increase (Decrease)		
		Plan	
	Total OPEB	Fiduciary	Net OPEB
	Liability (a)	Net Position	Liability/(Asset)
		(b)	(c) = (a) - (b)
Balance at July 1, 2017	\$ 173,730	-	173,730
Changes during the year:			
Service cost	16,048	-	16,048
Interest	7,073	-	7,073
Changes in assumptions	14,256	-	14,256
Contributions - employer	-	2,308	(2,308)
Benefit payments	(2,308)	(2,308)	-
Net changes	35,069	-	35,069
Balance at June 30, 2018	\$ 208,799	-	208,799

Sensitivity of the net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Watermaster as of June 30, 2019, as well as what the Watermaster's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80%) or 1-percentage-point higher (4.80%) than the current discount rate:

	Discount	Current	Discount
	Rate - 1%	Discount	Discount
	2.80%	Rate	Rate + 1%
		3.80%	4.80%
Net OPEB Liability	\$ 256,653	214,783	181,827

The following presents the net OPEB liability of the Watermaster as of June 30, 2018, as well as what the Watermaster's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.35%) or 1-percentage-point higher (4.35%) than the current discount rate:

	Discount	Current	Discount
	Rate - 1%	Discount	Discount
	2.35%	Rate	Rate + 1%
		3.35%	4.35%
Net OPEB Liability	\$ 251,250	208,799	175,561

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(6) Other Post-Employment Benefits Payable, continued

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Watermaster as of June 30, 2019, as well as what the Watermaster's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
	Healthcare Cost Trend		
	5% HMO/ 5.50% PPO decreasing to 4% HMO/PPO)	Rates (6% HMO 6.50% PPO decreasing to 5% HMO/PPO)	7% HMO/ 7.50% PPO decreasing to 6% HMO/PPO)
Net OPEB Liability	\$ <u>174,054</u>	<u>214,783</u>	<u>268,910</u>

The following presents the net OPEB liability of the Watermaster as of June 30, 2018, as well as what the Watermaster's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
	Healthcare Cost Trend		
	5% HMO/ 5.50% PPO decreasing to 4% HMO/PPO)	Rates (6% HMO 6.50% PPO decreasing to 5% HMO/PPO)	7% HMO/ 7.50% PPO decreasing to 6% HMO/PPO)
Net OPEB Liability	\$ <u>169,024</u>	<u>208,799</u>	<u>261,776</u>

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the Watermaster recognized OPEB expense of \$25,514.

At June 30, 2019, the Watermaster reported deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Inflows of Resources
Changes in assumptions	\$ <u>(4,888)</u>
Total	\$ <u>(4,888)</u>

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(6) Other Post-Employment Benefits Payable, continued

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB, continued

For the fiscal year ended June 30, 2018, the Watermaster recognized OPEB expense of \$25,158.

At June 30, 2018, the Watermaster reported deferred outflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>
Changes in assumptions	\$ 12,219
Total	\$ 12,219

The changes in assumptions are amortized over a seven-year period. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Deferred Outflows of Resources</u>
2019	(475)
2020	(475)
2021	(475)
2022	(475)
2023	(478)
Thereafter	(2,510)

Payable to the OPEB Plan

At June 30, 2019, the Watermaster had no outstanding amount of contributions required to the OPEB plan.

(7) Deferred Compensation Savings Plan

For the benefit of its employees, the Watermaster participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the Watermaster is in compliance with this legislation. Therefore, these assets are not the legal property of the Watermaster, and are not subject to claims of the Watermaster's general creditors. Market value of all plan assets held in trust at June 30, 2019 and 2018 was \$1,440,213 and \$1,242,494, respectively.

The Watermaster has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the Watermaster has little

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(8) Nonqualified Employee Compensation Plan

Effective June 1, 2015, the Watermaster established a Nonqualified Deferred Compensation Plan (Plan). The purpose of this Plan is to provide deferred compensation for selected public employees to participate in the Plan. The Plan is intended to be an unfunded deferred compensation plan that complies with the requirements of Section 457(f) and 409A of the Internal Revenue Code of 1986. Each Plan Participant shall be entitled to elect to forego all or any portion, as either a dollar amount or a percentage, of the Participant's salary and/or bonus that may become payable by the Employer for a Plan year after all applicable deductions and withholdings. Such election shall be evidenced by a Deferral Agreement.

On June 30, 2019, 2018, 2017, 2016 and 2015, Watermaster made an employer contribution of \$16,370, \$32,564, \$25,399, \$18,996 and \$4,750 to the Plan for the benefit of its eligible employee for the 12 consecutive month period from July 1, 2018 to June 30, 2019, July 1, 2017 to June 30, 2018, July 1, 2016 to June 30, 2017, from July 1, 2015 to June 30, 2016 and from July 1, 2014 to June 30, 2015, respectively.

For each of Watermaster's regular payroll periods beginning on and after July 1, 2015 during the remainder of the Employment Term (from June 30, 2014 up to the expiration date of June 30, 2017), the Watermaster agrees to make an employer contribution to the Plan for the benefit of the eligible employee equal to 8% of the corresponding salary including any incentive compensation paid during that payroll period; provided that the eligible employee is still employed with Watermaster on the payday of that payroll period.

On June 22, 2017, Watermaster agreed to make an employer contribution to the Plan for the benefit of another eligible employee equal to 4% of the corresponding salary for the payroll period effective following July 1, 2017; and shall continue to be provided on each paycheck date thereafter until the Board takes further action.

The balance of Watermaster's Employee Compensation Plan as of June 30, 2019 and 2018 amounted to \$98,080 and \$81,709, respectively.

(9) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Watermaster's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Watermaster's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Benefits provided, continued

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the Watermaster's CalPERS 2.5% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2013. All employees hired after January 1, 2013 are eligible for the Watermaster's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

The provision and benefits for the Plan's miscellaneous pool in effect at June 30, 2018, are summarized as follows:

	Miscellaneous Plan	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.000%	6.25%
Required employer contribution rates	10.110%	6.533%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates, for all public employers, be determined on an annual basis by the actuary and shall be effective on July 1 following notice of the change in rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Watermaster is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal years ended June 30, 2019 and 2018, the contributions recognized as part of pension expense for the Plan was as follows:

	Miscellaneous Plan	
	2019	2018
Contributions – employer	\$ 173,396	151,517

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Net Pension Liability

As of June 30, 2019 and 2018, the Watermaster reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	<u>2019</u>	<u>2018</u>
Miscellaneous Plan	\$ <u>1,188,162</u>	<u>1,210,470</u>

The Watermaster's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018 (the measurement date), and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 (the valuation date), rolled forward to June 30, 2018, using standard update procedures.

The Watermaster's proportion of the net pension liability was based on a projection of the Watermaster's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Watermaster's proportionate share of the pension liability for the Plan's miscellaneous risk pool as of the measurement dates June 30, 2018 and 2017 was as follows:

	<u>Miscellaneous Plan</u>
Proportion – June 30, 2016	0.01206%
Increase in proportion	<u>0.00014%</u>
Proportion – June 30, 2017	0.01220%
Increase in proportion	<u>0.00013%</u>
Proportion – June 30, 2018	<u>0.01233%</u>

The Watermaster's proportionate share of the pension liability for the Plan's miscellaneous risk pool as of the measurement dates June 30, 2017 and 2016 was as follows:

	<u>Miscellaneous Plan</u>
Proportion – June 30, 2015	0.01182%
Increase in proportion	<u>0.00024%</u>
Proportion – June 30, 2016	0.01206%
Increase in proportion	<u>0.00014%</u>
Proportion – June 30, 2017	<u>0.01220%</u>

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources

For the fiscal years ended June 30, 2019 and 2018, the Watermaster recognized pension expense of \$242,896 and \$286,056, respectively.

As of June 30, 2019 and 2018, the Watermaster reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 173,396	-	151,517	-
Differences between actual and expected experience	30,077	-	-	(20,416)
Changes in assumptions	102,267	-	175,581	-
Net differences between projected and actual earnings on plan investments	5,875	-	42,987	-
Differences between actual contribution and proportionate share of contribution	-	(4,973)	-	(21,716)
Net adjustment due to differences in proportions of net pension liability	26,179	-	96,676	-
Total	\$ 337,794	(4,973)	466,761	(42,132)

As of June 30, 2019 and 2018, employer pension contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$173,396 and \$151,517, respectively, and will be recognized as a reduction of the net pension liability in the fiscal years ended June 30, 2020 and 2019.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

At June 30, 2019, other amounts reported as deferred outflows and inflows of resources related to the pensions, which will be recognized as pension expense as follows:

Fiscal Year Ending June 30,	Deferred Net Outflows/(Inflows) of Resources
2020	\$ 123,662
2021	79,996
2022	(33,544)
2023	(10,687)

Actuarial assumptions

The total pension liabilities were determined by actuarial valuations as of June 30, 2017, which were rolled forward to June 30, 2018, using the following actuarial assumptions:

Valuation Date	June 30, 2017 and 2016
Measurement Date	June 30, 2018 and 2017
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68

Actuarial assumptions:

Discount rate	7.15%
Inflation rate	2.50% and 2.75%
Salary increases	Varies by Entry Age and Service
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Period Upon Which Actuarial Experience Survey Assumptions Were Based	1997-2011
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

* The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of Scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	New Strategic Allocation	Real Return Years 1-10	Real Return Year 11+
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.97%

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(9) Defined Benefit Pension Plan, continued

Sensitivity of the Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following table presents the Watermaster's proportionate share of the net position liability for the Plan, calculated using the discount rate, as well as what the Watermaster's proportional share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

As of June 30, 2019, the Watermaster's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
Watermaster's Net Pension Liability	\$ 1,851,236	1,188,162	640,805

As of June 30, 2018, the Watermaster's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, is as follows:

	Discount Rate - 1% 6.65%	Current Discount Rate 7.65%	Discount Rate + 1% 8.65%
Watermaster's Net Pension Liability	\$ 1,879,064	1,188,162	647,485

Payable to the Pension Plan

At June 30, 2019 and 2018, the Watermaster reported no payables for the outstanding amount of contribution to the pension plan.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued CalPERS financial reports. See pages 39 through 40 for the Required Supplementary Schedules.

(10) Prior Period Adjustment

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(10) Prior Period Adjustment, continued

The effect of the above changes is summarized as follows:

Net position at June 30, 2017, as previously stated	\$ <u>8,715,929</u>
Net OPEB Liability - GASB 75 Implementation:	
Effect of adjustment to record net OPEB liability	\$ (173,730)
Effect of adjustment to remove net OPEB liability associated with GASB 45	468,172
Effect of adjustment to record deferred OPEB outflows	<u>2,307</u>
Total adjustment to net position	<u>296,749</u>
Net position – beginning, as restated at July 1, 2017	<u>\$ 9,012,678</u>

(11) Net Position

Calculation of net position as of June 30, were as follows:

	<u>2019</u>	<u>2018</u>
Net investment in capital assets:		
Capital assets, net	\$ <u>68,106</u>	<u>43,558</u>
Total net investment in capital assets	<u>68,106</u>	<u>43,558</u>
Restricted with other governments:		
Restricted - cash and cash equivalents	<u>845</u>	<u>845</u>
Total restricted with other governments	<u>845</u>	<u>845</u>
Unrestricted net position:		
Non-spendable net position:		
Prepaid expenses and deposits	<u>349,934</u>	<u>43,722</u>
Total non-spendable net position	<u>349,934</u>	<u>43,722</u>
Spendable net position are designated as follows:		
Undesignated net position reserve	<u>7,736,337</u>	<u>9,679,312</u>
Total spendable net position	<u>7,736,337</u>	<u>9,679,312</u>
Total unrestricted net position	<u>8,086,271</u>	<u>9,723,034</u>
Total net position	<u>\$ 8,155,222</u>	<u>9,767,437</u>

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(12) Risk Management

The Watermaster is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Watermaster is insured for a variety of potential exposures. The following is a summary of the insurance policies carried by the Watermaster as of June 30, 2019:

- Commercial General Liability: \$2,000,000 General Aggregate Limit (Other than Products/Completed Operations); \$2,000,000 Products/Completed Operations Aggregate Limit (Any One Person or Organization); \$1,000,000 Personal and Advertising Injury Limit; \$1,000,000 Each Occurrence Limit; \$300,000 Rented To You Limit; \$15,000 Medical Expenses Limit (Any One Person).
- Commercial Excess Liability: Limits of Liability are \$10,000 Retained Limit, \$8,000,000 Each Occurrence, \$8,000,000 General Aggregate Limit, \$8,000,000 Products/Completed Operations to Aggregate.
- Automobile: \$1,000,000 Combined Bodily Injury and Property Damage Single Limit (Each Accident); \$1,000,000 Uninsured Motorists Single Limit. \$1,000 deductible for Comprehensive and \$1,000 deductible for Collision.
- Property: \$525,000 with liability limits varying by property type with a \$1,000 deductible.
- Crime coverage: \$50,000 per claim with a \$1,000 deductible.
- Director & Officers Liability: \$1,000,000 Liability Coverage; Employment Practices Liability: \$1,000,000 Liability Coverage. Director and Officer/Crisis Management: \$25,000 to \$100,000 with liability limits varying by type of coverage.
- Workers' compensation: Total annual premium is \$6,246.

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2019, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 84

In January 2017, the GASB issued Statement No. 84 – *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 87

In June 2017, the GASB issued Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 89

In June 2018, the GASB issued Statement No. 89 – *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

Governmental Accounting Standards Board Statement No. 90

In August 2018, the GASB issued Statement No. 90 – *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 90, continued

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

Governmental Accounting Standards Board Statement No. 91

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

Chino Basin Watermaster
Notes to the Financial Statements, continued
For the Fiscal Years Ended June 30, 2019 and 2018

(14) Commitments and Contingencies

Grant Awards

Grant funds received by the Watermaster are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the Watermaster believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the Watermaster is subject to claims and litigation from outside parties. After consultation with legal counsel, the Watermaster believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(15) Subsequent Events

Events occurring after June 30, 2019, have been evaluated for possible adjustment to the financial statements or disclosure as of October 24, 2019 which is the date the financial statements were available to be issued.

Required Supplementary Information

Chino Basin Watermaster
Schedules of Changes in the Watermaster's Net OPEB Liability and Related Ratios
For the Years Ended June 30, 2019 and 2018
Last Ten Years*

Defined Benefit OPEB Plan

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 18,418	16,048
Interest	7,571	7,073
Change in assumptions	(17,582)	14,256
Benefit payments	<u>(2,423)</u>	<u>(2,308)</u>
Net change in total OPEB liability	5,984	35,069
Total OPEB liability - beginning of year	<u>208,799</u>	<u>173,730</u>
Total OPEB liability - end of year (a)	\$ <u>214,783</u>	<u>208,799</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ 2,423	2,308
Administrative expense	<u>(2,423)</u>	<u>(2,308)</u>
Net change in plan fiduciary net position	-	-
Plan Fiduciary Net Position - beginning of year	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - end of year (b)	<u>-</u>	<u>-</u>
Net OPEB Liability - ending (a) - (b)	\$ <u>214,783</u>	<u>208,799</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.00%	0.00%
Covered - employee payroll	N/A	N/A
Net OPEB Liability as a percentage of covered-employee payroll	N/A	115.30%

Note:

The Watermaster adopted GASB 75 for the fiscal year ended June 30, 2018.

Benefit changes – None noted.

* The Watermaster has presented information for those years for which information is available until a full 10-year trend is compiled.

**Chino Basin Watermaster
Schedules of Watermaster's OPEB Contributions
For the Years Ended June 30, 2019 and 2018
Last Ten Years***

Defined Benefit OPEB Plan

	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 358,358	402,609
Contributions in relation to the Actuarially Determined Contribution	<u> </u>	<u>-</u>
Contribution Deficiency (Excess)	\$ <u> </u>	<u>-</u>
Watermaster's Covered-Employee Payroll	1,031,755	N/A
Contribution's as a percentage of Covered-Employee Payroll	34.73%	13.46%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, 2018, six months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Valuation Date	December 31, 2017
Measurement Date	December 31, 2018
Actuarial cost method	Entry Age Normal cost method in accordance with the requirements of GASB Statement No. 75
Actuarial assumptions:	
Discount rate	3.80% per annum
Inflation	2.75% per annum
Salary increases	3.0% per annum, in aggregate
Funding Practice	Pay-as-you-go
Participation Rates	50% of eligible active employees are assumed to elect medical coverage at retirement. Future retirees are assumed to elect similar plans as current retirees. Actual plan coverage is used for current retirees.
Healthcare cost trend rates	Medical costs are adjusted in future years by the following trends:
2018	Actual
2019	PPO: 6.5%; HMO: 6.0%
2020	PPO: 6.0%; HMO: 5.5%
2021	PPO: 5.5%; HMO: 5.0%
2022+	PPO: 5.0%; HMO: 5.0%

* The Watermaster has presented information for those years for which information is available until a full 10-year trend is completed.

Chino Basin Watermaster
Schedules of the Watermaster's Proportionate Share of the Net Pension Liability
As of June 30, 2019 and 2018
Last Ten Years*

Description	2019	2018	2017	2016
Watermaster's Proportion of the Net Pension Liability	0.01233%	0.01220%	0.01206%	0.01182%
Watermaster's Proportionate Share of the Net Pension Liability	\$ 1,188,162	\$ 1,210,470	\$ 1,043,862	\$ 811,437
Watermaster's Covered-Employee Payroll	\$ 1,031,755	\$ 860,266	\$ 979,741	\$ 888,483
Watermaster's proportionate share of the net pension liability as a Percentage of its Covered-Employee Payroll	115.16%	140.71%	106.54%	91.33%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.76%	73.43%	75.36%	78.02%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 141,457	\$ 126,549	\$ 118,862	\$ 99,615

Notes to the Schedule of the Watermaster's Proportionate Share of Net Pension Liability:

Changes in Benefit Terms – The Watermaster can make changes to their plan provisions, and such changes occur on an ongoing basis. A summary of the plan provisions that were used for the Watermaster's plan can be found in the plan's annual valuation report.

Changes of Assumptions – In fiscal year 2018, the financial reporting discount rate was lowered from 7.65% to 7.15% - in fiscal year 2019, the discount rate remained at 7.15%. In December 2016, the CalPERS Board approved lowering the funding discount rate used from 7.50% to 7.00%, which is to be phased-in over a three-year period (7.50% to 7.375%, 7.375% to 7.25%, and 7.25% to 7.00%) beginning with the June 30, 2016, valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

* The Watermaster has presented information for those years for which information is available until a full 10-year trend is compiled.

Chino Basin Watermaster
Schedules of Pension Plan Contributions
As of June 30, 2019 and 2018
Last Ten Years*

Description	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 155,931	\$ 151,169	\$ 132,932	\$ 110,292
Contributions in Relation to the Actuarially Determined Contribution	(151,517)	(114,507)	(133,410)	(133,410)
Contribution Deficiency (Excess)	\$ 4,414	\$ 36,662	\$ (478)	\$ (23,118)
Covered Payroll	\$ 1,031,755	\$ 860,266	\$ 979,741	\$ 888,483
Contribution's as a percentage of Covered-Employee Payroll	14.69%	13.31%	13.62%	15.02%

Note to the Schedule of Pension Plan Contributions:

* The Watermaster has presented information for those years for which information is available until a full 10-year trend is compiled.

Supplemental Information Section

Chino Basin Watermaster
Combining Schedule of Revenue, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2019

	Watermaster Administration	Optimum Basin Management	Pool Administration and Special Projects			Groundwater Replenishment	LAIF Value Adj.	GASB 75 Beginning Net Position	Grand Totals	Amended Budget 2018-2019
			Appropriative Pool	Agricultural Pool	Non-Ag Pool					
Administrative Revenues:										
Administrative Assessments										
Interest Revenue			8,298,615		392,157				8,690,772	8,695,545
Mutual Agency Project Revenue	167,712		213,712	12,036	2,107				227,855	63,968
Miscellaneous Income	237								167,712	167,712
Total Revenues	167,950	-	8,512,327	12,036	394,264	-	-	-	9,086,577	-
Administrative & Project Expenditures:										
Watermaster Administration	2,043,156								2,043,156	1,654,141
Watermaster Board-Advisory Committee	197,612								197,612	209,519
Ag Pool Misc. Expense - Ag Fund									-	400
Pool Administration			135,480	397,651	142,771				675,901	690,643
Optimum Basin Mgmt Administration		1,902,174							1,902,174	2,038,267
OBMP Project Costs		4,227,588							4,227,588	5,412,869
Debt Service		516,021							516,021	580,585
Basin Recharge Improvements		1,434,159							1,434,159	3,068,941
Total Administrative/OBMP Expenses	2,240,268	8,079,941	135,480	397,651	142,771	-	-	-	10,996,610	13,655,365
Net Administrative/OBMP Expenses	(2,072,818)	(8,079,941)							-	-
Allocate Net OBMP Expenses To Pools	2,072,818		1,456,073	539,172	77,573				-	-
Allocate Net OBMP Expenses To Pools		6,129,761	4,305,915.21	1,594,445	229,400.62				-	-
Allocate Debt Service to App Pool		516,021							-	-
Allocate Basin Recharge to App Pool		1,434,159							-	-
Agricultural Expense Transfer*			2,531,268	(2,531,268)					-	-
Total Expenses			10,378,916	-	449,745	-	-	-	10,996,610	13,655,365
Net Administrative Income			(1,866,589)	12,036	(55,481)	-	-	-	(1,910,034)	(4,728,140)
Other Income/(Expense)										
Replenishment Water Assessments						796,239			796,239	-
Desalter Replenishment Obligation						-			-	-
Non-Ag Stored Water Purchases			131,000						131,000	-
Exhibit "G" Non-Ag Pool Water						(29,084)			(29,084)	-
RTS Changes from IEUA						10,776			10,776	-
Interest Revenue									-	-
MWD Water Purchases									-	-
Non-Ag Stored Water Purchases			(131,000)			(459,025)			(131,000)	-
Exhibit "G" Non-Ag Pool Water						-			(459,025)	-
MWD Water Purchases									-	-
Groundwater Replenishment									-	-
LAIF - Fair Market Value Adjustment							36,645		36,645	-
Other Post-Employment Benefits (OPEB)									-	-
Refund-Excess Reserves			-		-				-	-
Refund-Recharge Debt			(57,732)		-				(57,732)	-
Funding To/(From) Reserves									-	-
Net Other Income/(Expense)			(57,732)	-	-	318,906	36,645	-	297,819	-
Net Transfers To/(From) Reserves		(1,612,214)	(1,924,321)	12,036	(55,481)	318,906	36,645	-	(1,612,214)	(4,728,140)
Net Assets, July 1, 2018			9,661,977	493,108	80,791	(4,534)	(20,461)	(443,445)	9,767,436	
Net Assets, End of Period			7,737,656	505,144	25,310	314,372	16,184	(443,445)	8,155,222	8,155,222
17/18 Assessable Production			76,859,928	28,460,605	4,094,766				109,415,299	
17/18 Production Percentages			70.246%	26.012%	3.742%				100.000%	

*Fund balance transfer as agreed to in the Peace Agreement.

Chino Basin Watermaster
Combining Schedule of Revenue, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2018

	Watermaster Administration	Optimum Basin Management	Pool Administration and Special Projects			Groundwater Replenishment	LAIF Value Adj.	GASB 68 Beginning Net Position	Grand Totals	Amended Budget 2017-2018
			Appropriative Pool	Agricultural Pool	Non-Ag Pool					
Administrative Revenues:										
Administrative Assessments			8,407,584		360,243				8,767,827	11,607,166
Interest Revenue			152,265	6,931	1,757				160,953	39,906
Mutual Agency Project Revenue	193,622								193,622	191,626
Miscellaneous Income	89								89	-
Total Revenues	193,711	-	8,559,849	6,931	362,000	-	-	-	9,122,491	11,838,698
Administrative & Project Expenditures:										
Watermaster Administration	1,983,263								1,983,263	1,587,994
Watermaster Board-Advisory Committee	172,281								172,281	197,454
Ag Pool Misc. Expense - Ag Fund				57					57	400
Pool Administration			113,185	371,750	93,678				578,613	621,405
Optimum Basin Mgmt Administration		1,118,624							1,118,624	1,191,142
OBMP Project Costs		3,211,873							3,211,873	5,544,630
Debt Service		457,644							457,644	515,375
Basin Recharge Improvements		857,731							857,731	6,692,293
Total Administrative/OBMP Expenses	2,155,545	5,645,872	113,185	371,750	93,678	-	-	-	8,380,086	16,350,693
Net Administrative/OBMP Expenses	(1,961,834)	(5,645,872)							-	-
Allocate Net Admin Expenses To Pools			1,424,230	465,040	72,564				-	-
Allocate Net OBMP Expenses To Pools			3,143,805	1,026,516	160,176				-	-
Allocate Debt Service to App Pool			457,644						-	-
Allocate Basin Recharge to App Pool			857,731						-	-
Agricultural Expense Transfer*			1,863,306	(1,863,306)					-	-
Total Expenses			7,859,901	57	326,417	-	-	-	8,380,086	16,350,693
Net Administrative Income			699,948	6,874	35,583	-	-	-	742,405	(4,511,995)
Other Income/(Expense)										
Replenishment Water Assessments						858,518			858,518	-
Interest Revenue						2,259			2,259	-
MWD Water Purchases									-	-
Groundwater Replenishment						(763,169)			(763,169)	-
LAIF - Fair Market Value Adjustment							(8,556)		(8,556)	-
Gain on Sale of Assets									1,700	-
Other Post-Employment Benefits (OPEB)			1,637		63				296,749	-
Refund-Recharge Debt			-		-			296,749	-	-
Funding To/(From) Reserves			(78,397)						(78,397)	-
Net Other Income/(Expense)			(76,760)	-	63	97,607	(8,556)	296,749	309,103	(392,216)
Net Transfers To/(From) Reserves		754,759	623,188	6,874	35,646	97,607	(8,556)	296,749	1,051,508	(4,119,779)
Net Assets, July 1, 2017			9,038,790	486,234	45,146	(102,141)	(11,905)	(740,195)	8,715,929	
Net Assets, End of Period			9,661,978	493,108	80,792	(4,534)	(20,461)	(443,446)	9,767,437	9,767,437
16/17 Assessable Production			82,269,159	26,862,554	4,191,579				113,323,292	
16/17 Production Percentages			72.597%	23.704%	3.699%				100.000%	

*Fund balance transfer as agreed to in the Peace Agreement.

Report on Internal Controls and Compliance



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**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Chino Basin Watermaster
Rancho Cucamonga, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Chino Basin Watermaster (Watermaster) as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprises the Watermaster's basic financial statements, and have issued our report thereon dated October 24, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Watermaster's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Watermaster's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor's Report on Internal Controls Over Financial Reporting
And on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, (continued)**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Watermaster's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fedak & Brown LLP

Fedak & Brown LLP
Cypress, California
October 24, 2019



CHINO BASIN WATERMASTER STAFF 2019

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